



## Division of Aging and Adult Services

# Low Income Home Energy Assistance Program



## Policy and Procedure Manual

Revised June 2014

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## 100 PURPOSE AND PRINCIPLES

### 100.01 Purpose of LIHEAP

The Low Income Home Energy Assistance Program (LIHEAP) is authorized by Title XXVI of the Omnibus Budget Reconciliation Act of 1981 (OBRA), Public Law 97-35, as amended. The Administration for Children and Families (ACF) within the U.S. Department of Health and Human Services administers LIHEAP at the federal level.

The Human Services Amendments of 1994 (Public Law 103-353) reauthorized LIHEAP through FY1999. In 2004 the Senate passed the Poverty Prevention and Reduction Act, reauthorizing LIHEAP through 2010. The House is also working toward reauthorization. As part of the original reauthorization, Congress amended the purpose of LIHEAP to clarify that LIHEAP is **"to assist low income households, particularly those with the lowest income, that pay a high proportion of household income for home energy, primarily in meeting their immediate home energy needs."**

The LIHEAP program provides for utility bill assistance in the form of a LIHEAP and/or Supplemental (Crisis) benefit. A LIHEAP payment is made to the energy vendor or landlord (if utilities are included in the rent) on behalf of eligible households that meet income criteria and accumulate the required number of points. LIHEAP benefit payment amounts are determined based on: household income, energy burden and energy need. **A LIHEAP benefit does not require a shut-off or eviction notice.** Supplemental assistance (Crisis) is provided when **a crisis exists in order to issue a supplemental payment and the crisis must be clearly and fully documented on the application.** See crisis definition in section [800 Supplemental Benefit](#), page 26.

A Supplemental Benefit can be made at the same time a maximum LIHEAP benefit amount has been approved. To provide a Supplemental benefit the household must be in a crisis situation. A Supplemental benefit does require a shut-off or eviction notice. See crisis definition in section [800 Supplemental Benefit](#) on page 26.

LIHEAP funds are available on a statewide basis to benefit eligible households. Applications are taken by Service Providers that are currently contracted by the Department of Economic Security (DES), Division of Aging and Adult Services (DAAS). Service Providers are responsible for gathering documentation to verify eligibility.

**Note:** *The policies and procedures in this section relate only to services/benefits funded by LIHEAP. Utility Assistance is also provided under other programs that have their own policies and procedures.*

### 100.02 Program Description

The Arizona LIHEAP Program is a federal block grant funded through the Low-Income Home Energy Assistance Program (LIHEAP). The block grant legislation (Title XXVI of the Omnibus Budget Reconciliation Act of 1981, Public Law 97-35, as amended) gives states broad latitude to develop programs that assist low income households to meet their immediate home energy needs. On the federal level, the program is administered in the U.S. Department of Health and Human

Services. (See Health and Human Services' web site at [http://www.acf.hhs.gov/programs/ocs/liheap/.](http://www.acf.hhs.gov/programs/ocs/liheap/))

The five categories of LIHEAP activities required by the LIHEAP Statute {2605(b)(1)} are:

1. Outreach activities
2. Assistance with home energy costs
3. Intervention in energy emergency situations
4. Provision of low-cost residential weatherization and cost-effective energy-related home repair
5. Planning, developing, administering and leveraging activities

Federal law also requires DES to agree to comply with sixteen assurances included in the *State Plan* that states must use to develop their policies and procedures. {*LIHEAP Statute Section 2605(c)(1)(F)*}

LIHEAP services include:

- Financial aid to pay a portion of utility costs
- Crisis intervention for threat of, or no utility situations
- Energy related repair for home energy system repair or replacement
- Referral to Weatherization and other human service providers

LIHEAP is administered by the Department of Economic Security (DES), Division of Aging and Adult Services (DAAS). DES/DAAS provides grants to local Community Action Agencies, counties, tribal governments, the Governor's Office of Energy and private not for profit Service Providers to deliver the program in defined geographic areas. These entities will be referred to as Service Providers in this manual. DES/DAAS has statewide administrative authority over LIHEAP including:

- Selecting and contracting with local Service Providers
- Program and policy development
- Training and support
- Disbursing financial resources
- Monitoring for compliance
- Data collection
- Reporting

Annually, DES/DAAS submits a State Plan or an update to the State Plan to the US Department of Health and Human Services as required by law. The State Plan describes how federal LIHEAP funds will be used to help low-income households pay energy costs and reduce energy. Then the Plan is put before the public for input {*LIHEAP Statute Section 2605 (a)(2)*}. Comments received at the public hearing and in writing during the comment period are considered in the development of the State Plan. The proposed State Plan is available at the main DES site.

([https://www.azdes.gov/uploadedFiles/Aging\\_and\\_Adult\\_Services/Community\\_Services\\_Unit/LIHEAP\\_Policy\\_Manual\\_SF14.pdf](https://www.azdes.gov/uploadedFiles/Aging_and_Adult_Services/Community_Services_Unit/LIHEAP_Policy_Manual_SF14.pdf))

The LIHEAP program provides utility assistance in the form of a regular LIHEAP and/or Supplemental (Crisis) benefit. For the purposes of this manual LIHEAP assistance will be referred

to as LIHEAP. All LIHEAP payments are made to the energy vendor or landlord (if utilities are included in the rent) on behalf of eligible households that meet income criteria and accumulate the required number of points. LIHEAP assistance payment amounts are determined based on: household income, energy burden and energy need.

**\*\*LIHEAP assistance does not require a shut-off or eviction notice.**

**\*\*Supplemental LIHEAP assistance does require a shut-off or a delinquency notice or if utilities are included in the rent, an eviction notice. If the household utilizes portable or pre-pay utility service Supplemental LIHEAP assistance may be provided if the household has seven (7) days or less of energy available.**

LIHEAP Supplemental (Crisis) assistance can be made at the same time a maximum LIHEAP benefit amount has been approved. An eligible household may receive one LIHEAP payment and one Supplemental LIHEAP payment per twelve (12) month period. To provide a LIHEAP Supplemental benefit the household must be in a crisis situation. Supplemental LIHEAP assistance does require a shut-off or eviction notice.

- **The maximum assistance allowed for LIHEAP assistance is \$640.00.**
- **The maximum assistance allowed for a Supplemental LIHEAP payment is \$500.00.**

LIHEAP funds are available on a statewide basis to benefit eligible households. Applications are taken by Service Providers that are currently contracted by the Department of Economic Security, Division of Aging and Adult Services. Service Providers are responsible for gathering documentation to verify eligibility.

**Note: The policies and procedures in this section relate only to services/benefits funded by LIHEAP. Utility assistance is also provided under other programs that have their own policies and procedures.**

### **100.03 Purpose of this Manual**

The LIHEAP (Low Income Home Energy Assistance Program) Policy Manual is part of the Service Provider's contract to deliver LIHEAP assistance. Service Providers with signed contracts agree that they are obligated to have the LIHEAP Policy Manual in their possession, read and understand it, and comply with it. This Policy Manual supersedes previous policy manuals and all other communications regarding LIHEAP policy. Changes or updates to this manual will be provided via policy clarifications and/or alerts.

The LIHEAP Policy Manual translates policy from the State Plan into procedures serving several purposes:

1. To restate program policies into procedures
2. To define the principles upon which the policy or procedures are based
3. To promote consistent application of program policies

The ***LIHEAP Policy and Procedure Manual*** is a guide for implementing the program for local Service Providers. It states policies, the principles underlying the policies and procedures, and provides some examples. The policies, procedures and stated principles provide tools that local



Service Providers can use to make decisions about specific situations. It is not meant to provide specific detail in how to deal with all possible circumstances. LIHEAP encourages Service Providers to partner and collaborate with other community-based organizations to provide services that meet the needs of low-income households.

#### **100.04 Prudent Decision Making Principles**

The policies and procedures included in the **LIHEAP Policy Manual** are rules for determining eligibility, delivering benefits and administering the program. It is impossible to foresee and give examples for all situations; therefore Service Providers are encouraged to use reason and apply good judgment in making decisions when addressing the specific needs and requests of a household or an unusual situation. Decision-making by staff based on the best information available, program knowledge, experience and expertise in a particular situation is referred to as the Prudent Decision Making Principle. Prudence may also include seeking DES guidance on specific policy interpretation. Service Providers should document the rationale used to make a decision and cite any applicable **LIHEAP Policy Manual** references and policy interpretations.

#### **100.05 Changes in Policy or Procedures**

- A. Each Service Provider will be responsible for ensuring LIHEAP Policy and Procedure Manual is issued to individual staff members and are maintained and updated.
- B. New and/or replacement pages for the LIHEAP Policy and Procedure Manual will be issued in the form of numbered Policy Clarification Notices by DES/DAAS. The Policy Clarifications will contain instructions for updating the manual as well as a summary of the changes and the effective dates.
- C. Subsequent Alerts related to policy changes or clarifications will be added to the policy and procedure manual by Service Providers to ensure that staff has the most up to date information.

#### **100.06 Policy Questions and Clarifications**

All Service Provider's staff requesting clarification regarding procedural detail or policy interpretation will be elevated in the following order to:

- A. The Service Provider's internal process;
- B. The individuals designated at DES/DAAS are listed below and all requests must be submitted in writing via Email to:

**EMAIL TO:** [grobles@azdes.gov](mailto:grobles@azdes.gov) and [kcruz@azdes.gov](mailto:kcruz@azdes.gov)

**ATTN: LIHEAP Policy Questions and Clarifications  
DES/DAAS – Community Action Programs and Services  
FAX: 602-542-6655**



C. DES/DAAS will respond within two business days unless additional research is required.

#### **100.07 Information Available to the Public**

The LIHEAP Policy and Procedure Manual and the LIHEAP State Plan which govern program administration can be accessed in the DES/DAAS office, 1789 W. Jefferson, Phoenix, Arizona 85007 for examination during regular office hours or online at the DES/DAAS website (<https://www.azdes.gov/landing.aspx?id=7312>).

#### **100.08 Confidential Information**

Public law and federal regulations place restrictions on the release of confidential information and set guidelines for the disclosure of non-confidential materials. All applications, records, files and communications of DES/DAAS and contractors, relating to specific applicants for assistance and recipients of services funded by DES/DAAS, are confidential records.

All information, regarding an applicant or recipient, is confidential and may be disclosed only for purposes of determining eligibility, providing services, or investigating suspected fraud in connection with the program. Applicants for services authorize access to their records by signing the application. Anyone not authorized on the application must have the applicant's written approval to access information. Information that can be exchanged must pertain to the eligibility of the applicant, and excludes items that do not address eligibility and personal details. Inappropriate disclosure of information can result in severe disciplinary action, or could result in the suspension of the contract agreement.

Access to information by inappropriate, unauthorized individuals or parties shall be considered a violation of the individual's right to confidentiality. Care should be taken to secure all files in the office so that unauthorized personnel do not have access to them. All records shall be open to any and all federal, state and contractor auditors and/or examiners in the course of their regular audits.

General information, policy statements or statistical materials, which cannot be directly identified with any individual or family, are not considered confidential information. They may be given to or provided by: agencies, helping organizations or contracted parties, unless restricted by Arizona statutes, federal regulations or court orders. (See section [1000 Decision Notices](#))

## **200 SERVICE PROVIDER'S ADMINISTRATIVE RESPONSIBILITIES OVERVIEW**

This chapter describes Service Providers' general administrative responsibilities

### **200.01 LIHEAP Year Round Program**

*Block Grant Regulations 45 CFT Part 96, Federal Statute, Section 2604 C (1) and (2)*

Arizona runs a year round program which means that LIHEAP assistance is provided throughout the fiscal year. Assistance is provided in the form of LIHEAP and Supplemental (Crisis) assistance to eligible households. A timely and effective energy crisis intervention program is required and includes the following. The program for which funds are reserved under this subsection shall:

- (1) not later than 48 hours after a household applies for energy crisis benefits, provide some form of assistance that will resolve the energy crisis if such household is eligible to receive such benefits;
- (2) not later than 18 hours after a household applies for crisis benefits, provide some form of assistance that will resolve the energy crisis if such household is eligible to receive such benefits and is in a life-threatening situation; and
- (3) require each entity that administers such program
  - (A) to accept applications for energy crisis benefits at sites that are geographically accessible to all households in the area to be served by such entity; and
  - (B) to provide to low-income individuals who are physically infirm the means:
    - (i) to submit applications for energy crisis benefits without leaving their residences; or
    - (ii) to travel to the sites at which such applications are accepted by such entity

### **200.02 Notification of Changes in Service Provider Information**

For contract and operational reasons, Service Providers must keep DES/DAAS informed in a timely manner of key changes in program and Service Provider staffing of key personnel, including changes to service locations and operations. Formal announcements should be supplemented with informal updates to the applicable Contract Specialist, copying the LIHEAP Program Specialist as frequently as needed to keep DES/DAAS apprised of the progress of the situation. These communications should be completed in writing.

### **200.03 Risk Assessment**

Service Providers' management should identify priority activities within the organization for risk assessment (e.g., assets, liabilities, revenues, expenses or expenditures account balances that are material in dollar amount).

The Service Provider should strive to reduce or eliminate fraud and waste through program policies, technical support, program software, segregation of duties, quality controls and monitoring of services and financial activities.

#### **200.04 Conflict of Interest Policy**

Service Providers must have a written conflict of interest policy. A conflict of interest policy is defined as a process or methodology that would prevent an individual or organization from corrupting the guidelines and purpose of the services provided. It prohibits personal, organizational or professional gain. Service Providers' personnel and board members are obligated to always act in the best interest of LIHEAP households, adhering to the programs guidelines and respective laws. At all times, local Service Provider personnel are prohibited from using their job title, the organization name or property, for private profit or benefit. Service Providers are required to inform DES/DAAS if they operate or own any business that could be viewed as a conflict of interest with the delivery of the LIHEAP Program. Service Providers must ensure staff that determine eligibility with regards to family members or friends, have appropriate oversight policies in place. This could include transfer of a household's case or a formal process with management review and signature.

#### **200.05 Administration's Eligibility Determination Oversight**

Service Providers must use application processes, eligibility determination, payment processes and timelines as prescribed in related sections of this policy manual to assure LIHEAP services are uniform and equally available throughout the service area.

- Use the same application form/process for all applicants
- Document applications when received
- Document incomplete applications and notify households of information needed for completeness
- Verify income and supporting documents, and certify that the application is correct

#### **200.06 Database Application Process and Procedures**

##### **200.06 (I) Completing the Database Process**

Service Providers must ensure that the database form contains the following required elements:

- A. Name, address, and if available, ten digit telephone number.
- B. Personal information, including
  1. Social security number (a pseudo social security number may be assigned)
  2. Gender
  3. Date of birth
  4. Citizenship status
  5. Disability
  6. Health Insurance declaration ("Yes" or "No" response is sufficient)
- C. Gross monthly countable income



D. Energy Burden: a one month cost of energy

E. Employment income for all household members ages 18 and older (16 if not a full time student) for 30 days prior to and including the date of application

## 200.07 Information and Reporting

Reporting LIHEAP activities provides DES/DAAS with information necessary for the statewide program administration and the ability to meet federal reporting requirements. Accurate and timely entry of data into Service Providers' data collection systems and accurate and timely submission of reports are essential to the efficient operation of LIHEAP programs. All reports must be submitted to DES on time and in the proper format. Reports must be reviewed for accuracy and verified to be correct and final by the Service Provider.

Including the required reports identified in Service Provider's contracts, the following reports are required:

- LIHEAP Annual Household Report (with weatherization)
- Case Management Tracking Report
- Leveraging Report
- Reports required by the federal government
- Response to Monitoring Findings\*\*

*\*\*Response to monitoring findings timeframe will vary. Service Providers will be notified of the required response time on an individual basis.*

Report Name:	Frequency	Due to DES by:
Case Management Tracking Report (CMT)	Monthly	25th of the month
Leveraging Report	Annually	10-15
LIHEAP Annual Household Report (with weatherization) (Estimated, 8-15 and Final, 10-15)	Annually	8-15/10-15

To complete these reports, Service Providers must:

- Submit accurate information.
- Submit reports on or before the close-of-business on the due date.

Verification includes the following:

- A. The CMT (due to DES the 25<sup>th</sup> of the following month) and Annual Household Report (due to DES August 15 [Estimated] and October 15 [Final] each year) must be emailed as an attachment to the DES/DAAS Contract Manager, copying the Program Specialist.
- B. The Leveraging Report (due to DES on October 15 of each year) must be emailed to the DES/DAAS LIHEAP Program Specialist.

## **200.08 Monitoring**

Monitoring relates to Service Providers' separate evaluations of internal controls, such as control self-assessments or internal procedures and performance. Internal monitoring processes shall be practiced by Service Providers. It also refers to DES/DAAS monitoring of the Service Provider. LIHEAP Service Providers have a responsibility to monitor and be monitored for compliance with program requirements.

DES/DAAS monitors Service Providers' compliance with all requirements of federal, state and local laws, the LIHEAP contract and directives in the policy manual. The Service Provider shall cooperate in the evaluation of contract services. The evaluation may assess the Service Provider's progress and/or success in achieving the goals, objectives and deliverables set forth in their contract related to LIHEAP.

DES/DAAS shall provide the Service Provider with a request for needed documents, such as, case management files, fiscal and administrative records, at least one week prior to the scheduled monitoring date. Regarding unscheduled monitoring, DES/DAAS may request needed documents while onsite without prior notice. DES/DAAS will communicate recommendations or findings with key personnel and provide the opportunity for clarification. DES/DAAS will provide written results of the monitoring in a reasonable amount of time.

The Service Provider will ensure that key personnel are available for discussion during the scheduled monitoring. The Service Provider will ensure that requested records are available and in order beginning on the initial monitoring date. It is DES/DAAS's expectation that the monitoring will begin at the agreed date and time for scheduled monitoring.

The onsite monitoring visit will include these activities:

### **200.08 (I) Entrance Interview:**

This interview should include the DES/DAAS Contract Specialist, DES/DAAS LIHEAP Program Specialist and the Service Provider's Program Manager. It may include other DES/DAAS and Service Provider staff upon request of the DES/DAAS Contract Specialist, DES/DAAS Program Specialist or at the discretion of the Service Provider. The entrance interview will describe the monitoring activities that will take place, review of the monitoring process and schedule interviews with other Service Provider staff, as requested by the DES/DAAS monitoring team.

### **200.08 (II) General Procedures:**

On site compliance monitoring will consist of a program review, with follow up questions appropriate to the local situation. In order to complete the compliance monitoring, the DES/DAAS Contract Specialist and/or the DES/DAAS LIHEAP Program Specialist will interview the Service Provider Program Manager, the Fiscal Director, the position responsible for outreach activities and any other staff whose work is integral to the program, as well as applicants.

### **200.08 (III) Exit Interview:**

This interview should include the DES/DAAS Contract Specialist and the Service Provider Program Manager. The exit interview may include other DES/DAAS monitoring team members. Other staff may be included at the request of the DES/DAAS Contract Specialist or at the discretion of the Service Provider. In the event of compliance issues, the DES/DAAS Contract Specialist may request that the Executive Director attend. The purpose of the exit interview is to review positive and questionable findings, resolve misunderstandings and agree to a timeline for corrective action.

Response to findings and recommendations must be responded to within the allotted timeframe as disclosed in the Report of Findings document. Service Providers in need of technical assistance, guidance and direction from DES/DAAS should request such assistance as soon as possible. In extenuating circumstances, Service Providers may request an extension, however; DES/DAAS will make the final determination regarding extensions.

### **200.09 Data Privacy**

The collection, storage, use and release of Personally Identifiable Information shall be limited to that necessary for the administration and management of the program. The Service Provider shall observe and abide by all applicable State and federal statutes, rules and regulations regarding the use or disclosure of information including, but not limited to, information concerning applicants for and recipients of contract services. The Service Provider shall release information to DES/DAAS as required by the terms of their contract.

### **200.10 Data Sharing Agreement**

Service Providers who enter into a data sharing agreement with DES/DAAS must abide by all pertinent privacy laws and DES/DAAS guidelines.

#### **200.10(I) Data Sharing Agreement Request:**

Service Providers may request the sharing of applicable data with DES/DAAS relative to the services provided or when determined necessary by DES/DAAS. In order to share the confidential data with the Service Provider, the Service Provider shall complete the ADES Data Sharing Request Agreement and submit the completed Agreement to the DES/DAAS Program Designated Staff prior to any work commencing or data shared. A separate Data Sharing Request Agreement shall be required between the Service Provider and each DES/DAAS Program sharing confidential data. The following Arizona State Statute and federal regulation should be noted in the data sharing request: [ARS 36-598-01](#), [CFR 233.120](#)

### **200.11 Records Maintenance**

Service Providers must maintain a record management system that retains applications and supporting documents for a period of a minimum of five years from the date of the final audit. Contractor's retention policies should not exceed five years to protect the data privacy of applicants. ([ARS 35-214](#))



## 200.12 Fraud Detection

Service Providers must have a written policy and mechanisms in place in order to identify and report cases of suspected LIHEAP fraud, waste, abuse or improper payments. Any known fraud/abuse must be reported to DES/DAAS as soon as it is identified along with information on how the situation was corrected.

For questions related to fraud at the federal level email [fraudnet@gao.gov](mailto:fraudnet@gao.gov). To report suspected fraud, waste or abuses at the state level go to: <https://www.azdes.gov/forms.aspx?menu=10&form=4825> or call 1-800-251-2436.

### 200.12 (I) Investigation of Suspected Fraud

Service Providers must take action in the case of credible fraud allegations or other discoveries of potential fraud. A complaint is likely to be credible when the complainant identifies themselves and describes a situation that would violate some aspect of LIHEAP's policy. Situations that are easily remedied such as overpayments that are recovered by the Service Provider do not need to follow the fraud parameters. If an error is discovered to be due to the Service Provider, the Service Provider must assure that the household has access to their energy source. The Service Provider is only obligated to assist the household within the eligibility guidelines. Reasons to investigate may include:

- A complaint of misuse of LIHEAP resources
- A credible complaint that contradicts application information affecting eligibility or benefits
- Knowledge that a household has received LIHEAP assistance in more than one location twice within the 12 month (365 day) period
- Knowledge that a household has received Supplemental (Crisis) LIHEAP assistance twice within the 12 month (365 day) period (The Service Provider where the household applied last is in charge of the investigation. The Service Provider where the household applied first should cooperate with the investigation.)
- Public information from law enforcement activities or the news media

When undertaking the investigation the Service Provider must:

- Report the situation by contacting the DES LIHEAP Program Specialist with pertinent information
- Ensure due process and protect the privacy rights of the household. If legal action commences, the privacy rights may change
- Contact agency's staff that investigates fraud management and/or their legal advisor to determine what course of action is needed
- Inform the energy vendor and household that the assistance may be re-captured, a refund may be requested or a freeze of LIHEAP credit on the household's energy vendor account may be implemented in the event that fraud is determined
- Collect and verify facts and information to determine if an error or potential fraud occurred
- Conduct follow-up interviews to obtain additional information, if necessary
- Take appropriate action to safeguard public resources such as requesting repayment of LIHEAP funds from the household if applicable
- Track fraud cases until completion including convictions and restitution if applicable and submit all updates and conclusions to DES/DAAS
- Document a household's suspected fraud and investigation results and forward to DES/DAAS LIHEAP Program Specialist

## **200.13 Fiscal Transactions**

Service Providers must use generally accepted fiscal practices including authorized personnel having program specific knowledge. Practices should have:

- Proper segregation of duty (to have more than one person complete the fiscal tasks to prevent fraud and error.)
- Auditable processes
- Consistent communication between program and fiscal staff

## **200.14 Overpayments and Recovery of LIHEAP Funds**

A correction is required when LIHEAP assistance is overpaid. Service Providers must track households with unresolved overpayments. If the overpayment is due to the household reporting inaccurate information the household is not eligible to receive Supplemental assistance until the overpayment issue is resolved and the recovery procedure is complete. If the overpayment is due to an error on the part of the Service Provider or other circumstance, the household is eligible to receive Supplemental Assistance.

Service Providers must document overpayments when recovering LIHEAP funds paid to a household or for a household to an energy vendor. Documentation should include the household number, reason for the overpayment and the utility type and type of assistance. This information should be kept by the Service Provider and provided to the DES monitoring team if requested.

Follow the overpayment recovery procedures for an error, waste, abuse, or suspected fraud below:

If an error results in overpayment of LIHEAP funds, the Service Provider must attempt to recover funds in the following order:

1. If identified immediately, work with the energy vendor to determine if the incorrect payment can be easily refunded
2. Adjust scheduled payments, if possible
3. Recover credit on energy vendor account, if possible

All cases of suspected fraud must be reported to proper authorities (Fraud Detection, section 200.12). The following rules guide overpayment recovery of LIHEAP funds for instances of suspected fraud.

Households who have committed fraud must repay funds. Recover funds in the following order:

1. If identified immediately, work with the energy vendor to determine if incorrect payment can be easily refunded.
2. Recover credit on energy vendor account, if possible.
3. Write to the client by certified mail to:
  - Notify them of the situation
  - Request repayment of overpaid LIHEAP funds not recovered
  - Clarify the household's rights and responsibilities and appeals process
  - Offer to meet with the household member(s)

- Set up a repayment schedule including installment payments as needed ensuring full repayment is made
4. DES/DAAS reserves the right to deny a household suspected of fraud for the current program year and require all LIHEAP assistance be repaid.



## 300 OPERATIONS AND CASE MANAGEMENT

### 300.01 Nondiscrimination

([ARS 41-1492-.02](#), [ARS 40-334](#), [Title VI, Civil Rights Act of 1964](#), [Dept. of Justice Title VI, Civil Rights Act of 1964](#))

([Age Discrimination Act of 1975](#), [Civil Rights Requirements - B. The Age Discrimination Act of 1975, 42 U.S.C. 6101 Et seq.](#)) (Contract, Scope of Work 6.4.6)

A. In compliance with Title VI of the Civil Rights Act of 1964 and Executive Order 12250, no individual in Arizona shall be excluded from participation in, denied benefits or subjected to discrimination under any program or activity receiving Federal funds, because of:

- Race
- Color
- National origin
- Handicap
- Religion or
- Sex

B. In compliance with the Age Discrimination Act of 1975, no individual shall be denied services or participation or be subjected to discrimination in any of its programs or activities on the basis of age.

### 300.02 Information Available to the Public

The items which govern program administration will be maintained in the DES/DAAS office, 1789 W. Jefferson, Phoenix, Arizona 85007 for examination during regular office hours and on the [Arizona State DES website](#).

- **Low Income Home Energy Assistance (LIHEAP)** – State Plan and the LIHEAP Policy Manual

### 300.03 Service Provider Application Process and Procedure

This section covers what must be included in the application and clients' rights to request financial information.

Contracted Service Providers must ensure that the following information is documented for the applicant:

**I. The Service Provider application should contain the following required elements but is not limited to this list:**

- a. Name, address, and if available, ten digit telephone number
- b. Personal information, including:
  - i. Social security number
  - ii. Gender

- iii. Date of birth
- iv. Citizenship status
- v. Disability
- vi. Health Insurance declaration
- vii. Gross monthly countable income
- viii. Energy Burden: a one month cost of energy
- ix. Employment income for all household members ages 18 and older (16 if not a full time student) for 30 days prior to and including the date of application
- x. Verification such as identification/documentation for children or other family members who reside in the home for all household members at the time of the application

#### **300.04 Home Visit Definition:**

An individual does not have to be bedridden to be considered confined to their home. However, the condition of these individuals should be such that there exists a normal inability to leave home and consequently, leaving the home would require a considerable and taxing effort. Any absence of the individual from the home attributable to the need to receive health care treatment, including regular absences for the purpose of participating in therapeutic, psychosocial or medical treatment in an adult day-care program that is licensed or certified by the State should not disqualify an individual from being considered confined to their home. Any other absence of an individual from the home shall not so disqualify an individual if the absence is infrequent or of relatively short duration. For the purpose of the preceding sentence, any absence for the purpose of attending a religious service shall be deemed to be an absence of infrequent or short duration.

#### **300.05 The Standard Household Unit**

A Standard Household Unit consists of every household member who must be included in the eligibility determination for assistance. If the applicant or a household member is pregnant in the third trimester, the fetus is considered an eligible child and shall be listed as an individual in the household.

##### **300.05 (I) Boarder Definition:**

Boarders are one or more persons living in the same house (individual's home or a commercial boarding house) that pays to live and have daily meals to the owner of the home who also lives in the house. Income of the owner of the home or other boarders is not counted. Boarders can be related by blood or law (excluding marriage) to the owner of the home. In these circumstances documentation must be provided such as rental agreements, rental receipts, and/or a letter from the individual who is renting to the applicant. The owner of the home is not included as a household member of the applicant.

- A. Susan and Jane live in the house that Susan owns. There is no blood or law relationship. Susan is renting a room to Jane and her two children. Jane and her two children are the boarders. Jane applies for LIHEAP assistance. Susan will not be included as a household member on the application. Susan may apply for LIHEAP assistance separately.
- B. Jim is a boarder at a halfway house. Jim is not eligible because a halfway house is not considered permanent housing.
- C. Jane and her new baby live with her Aunt Betty. Aunt Betty owns her home. Jane was paying Aunt Betty rent, however; Jane no longer receives child support and cannot pay her Aunt any rent money for the month of June. Aunt Betty has allowed Jane to continue to reside in her home knowing that Jane cannot pay her rent. She assumes the burden of supporting Jane and her baby. Jane is considered a roommate **not** a boarder due to Aunt Betty assuming the burden of supporting Jane and her baby. All family members in the household are included on the application and all income is counted.
- D. Mary rents a three bedroom apartment. Sara, Mary's daughter, and her two children rent one of the rooms from Mary. There is a lease agreement between Mary and Sara. Sara is employed and her hours are cut. She is not able to pay Mary rent for the month of April, but is able to pay for food and other necessities for herself and her children. Sara applies for LIHEAP assistance. She provides the lease agreement between Mary and Sara. Sara is considered a boarder. Mary is not considered part of Sara's household; therefore her income is not counted.

**Note:** *An agency may contact DES to request approval for exceptions.*

#### **300.05 (II) Roommate Definitions:**

Roommates are one or more persons living in the same house paying rent to the landlord outside of the home. This should not be confused with boarders as all income for roommates is counted.

- A. Linda and Donna are roommates. Donna pays rent to Linda, who has a rental agreement with a landlord living outside the home. They will be considered roommates, and both Linda and Donna will be included on the application.
- B. Martin and Mary own and reside in their own home. Nephew, Sam and his family live with them. They will be considered roommates due to the blood relationship between Mary and Sam. All household members will be included on the application.

#### **300.05 (III) Unborn Child within the Third Trimester:**

If the applicant or a household member is pregnant in the third trimester, the fetus is considered an eligible child and **shall** be listed as an individual in the household. The



unborn child should be documented as “baby” for the first name and use the last name of the client.

#### **300.05 (IV) Foster or Resource Family Household:**

If a Foster/Resource Family (regardless if blood related or not) applicant applies for LIHEAP assistance, the child/ren who reside in the home at the time the application is submitted will be counted as household members if the applicant has supporting documentation such as:

- Court documentation
- Legal Power of Attorney
- Documentation from Child Protective Services or other governmental agency
- Other reasonable documentation source

#### **300.06 Pre-pay Utility Households**

##### **300.06 (I) LIHEAP Assistance:**

If the household utilizes a pre-pay utility vendor the Service Provider may use previous purchasing history to determine the amount of assistance that may be provided. If the applicant does not have any documentation at the time of the application, the Service Provider should attempt to contact the utility provider to learn of the historical usage of the household. The LIHEAP Eligibility worksheet must be utilized to determine the maximum dollar amount the household qualifies for.

##### **300.06 (II) Supplemental (Crisis) LIHEAP Assistance:**

**\*\*Supplemental LIHEAP assistance does require a shut-off or a delinquency notice or if utilities are included in the rent, an eviction notice. If the household utilizes portable or pre-pay utility service Supplemental LIHEAP assistance may be provided if the household has seven (7) days or less of energy available.**

Pre-pay households are eligible for LIHEAP Supplemental (Crisis) assistance. The Service Provider should use a prudent decision making process to determine the amount of assistance to be provided. If the Service Provider is not able to ascertain any information from the energy vendor, the same methodology as used in portable fuel may be utilized (maximum amount of \$200 can be considered to calculate the household's energy burden if there is no billing documentation). If the household's energy usage history is available the Service Provider may determine that the maximum amount of \$500 could be granted. If the household has receipts or the energy vendor is able to provide information for one month's purchases, that amount can be used in determine the dollar amount to mitigate the crisis. Other factors may be taken into consideration but are not limited to the household's potential future income or lack of income; medical and/or disability status and the severity of the weather (excessive heat months which will increase near future utility bills).

## **300.07 Verification and Documentation**

### **300.07 (I) Verification**

Verification is the use of documents, systems, information or contacts with third parties to establish the accuracy of information provided by the applicant during the interview and indicated on the application form.

- A. The applicant has the primary responsibility for providing all required verification.
- B. In situations where it is difficult for the applicant to obtain verification needed to complete the eligibility determination, the Service Provider will offer assistance in obtaining the verification.

### **300.07 (II) Documentation**

The case file must contain an explanation of the method by which eligibility criteria was verified, (hard copy, collateral contact, visual verification or client statement). Documentation must support eligibility, ineligibility and the services to be provided and must be in sufficient detail to permit a reviewer to analyze the accuracy of the eligibility determination.

- 1. Documentation can be recorded with a hard copy (HC), collateral contact (CC), visual verification (VV) or client statement (CS). Visual verification may only be used when providing a home visit.
- 2. Documentation is written by the caseworker to support or clarify any information on the application.
- 3. A declaratory statement may be used, but only after all other resources have been exhausted. To be considered valid this statement must include:
  - A. Date the statement was made
  - B. All information required must be included in the statement for verification and documentation
  - C. Client's signature

<b>A declaratory statement <u>CANNOT</u> be taken to verify citizenship or legal resident status.</b>
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### **300.07 (III) Mandatory Verification**

The following eligibility criteria must be verified:

- A. **Identity of the Applicant;** any document that establishes the applicant's identity will be accepted. Documents include, but are not limited to:
  - Driver's license
  - Work or school ID
  - ID card from health benefits or another assistance or social service program

- Voter registration card
  - Wage stubs
  - Birth certificate
  - Family census card
  - Other reasonable sources
- B. **Citizenship or Legal Permanent Resident (LPR) Status** for the **applicant**. (See [EXHIBIT I](#) "Instructions for verifying Citizenship and Non-Citizen Legal Permanent Resident (LPR) Status").
- C. **Residential Address**; applicant may provide, lease agreement, utility bills (in clients name), etc.
- D. **Gross Non-Exempt Income** of **all household members**; income may not exceed 60 percent of the State Medium Income (SMI) Threshold Chart ([ATTACHMENT 5](#)) or Simplified LIHEAP Income Chart ([ATTACHMENT 4](#)).
- E. **Social Security Numbers for applicant and all household members**. If a household member does not have a Social Security Number, the Case Manager may assign a pseudo number following internal agency procedures.

When documents are not available; a collateral contact may be used. If all other resources have been exhausted a client statement may be taken, but **NOT** for verifying Citizenship, Legal Resident Status or Social Security number verification.

**Collateral contact CANNOT be used to verify citizenship or legal resident status.**



## **400 ELIGIBLE APPLICANT**

LIHEAP assistance is available to singles and/or families with children including those receiving cash assistance. The following must apply:

1. Must be vulnerable to the rising costs of utilities by having either an obligation to pay a utility bill directly to a utility company or in non-subsidized rent which includes utilities.
2. Must be a U.S. Citizen or a Qualified Non-Citizen with Legal Permanent Resident (LPR) status.
3. An eligible applicant must execute a sworn affidavit ([ATTACHMENT 1](#)) or another DES/DAAS approved affidavit form affirming the documentation provided as listed in Exhibit I, Instructions for Verifying Citizenship and Non-Citizen Legal Permanent Resident (LPR) Status during the verification process is/are true.
  - a. Service Providers who determine eligibility for these programs will be required to ensure that a sworn affidavit is obtained in a way that does not delay the eligibility determination process.
  - b. Eligible applicants are exempt from providing an affidavit only if they are:
    - **60 years of age or older**
    - If they are **Tribal Members** (See Section [500 Tribal Members](#))
    - If they are **disabled or have an incapacity of the body or mind** which makes them unable to supply such affirmation.
4. Applicant must show an energy burden, and accumulate the required number of points to be determined using the LIHEAP Worksheet. [See Attachment 2](#) and [Attachment 3](#).

### **400.01 Right to Request Financial Assistance**

All persons have the right to request financial assistance by following the procedures established by the state and the local agency that provides the services for the area in which they live.

### **400.02 Residency**

Applicant must be a resident of Arizona at the time the application is submitted. Services cannot be authorized or provided to an applicant who is traveling through the state or living in Arizona for a temporary reason. Assistance may be provided to homeless households if they are requesting assistance to establish utility services. Seasonal residents and migrant workers may be considered residents if they are able to provide documentation that their current residence is in Arizona and they are able to provide documentation that they will reside in Arizona for at least seven (7) months or more.

#### **400.02 (I) Determining Arizona Residency**

Many residents in Arizona are technically seasonal inhabitants (students, seasonal workers), however; in some cases they could be considered residents of Arizona. The Arizona Motor Vehicle Division's (MVD) guidelines should be used to assist in determining residency. The following questions should be considered (Community Service Memo [CM] Q&A 2013-002 Residency):

- a. Does the client work in Arizona in an occupation that is not seasonal?
- b. Does the household have children who attend school in Arizona or does
- c. the household pay Arizona resident rates for school tuition for children in the household?
- d. Does the household own a business that has an office, base, or vehicles operating in Arizona?
- e. Do household members have Arizona State Driver's License?
- f. Does the applicant reside in Arizona seven or more months of every year?
- g. Are household members employed in Arizona?
- h. Does the household pay Arizona State taxes?
- i. Are members of the household established with an Arizona medical provider?
- j. Does the household have a rental agreement/lease or own the home they are residing in, in Arizona?

If "Yes" is the answer to any of the above questions, the applicant is considered an Arizona resident. Students who are deemed "out-of-state" by their university and do not take more than seven (7) hours of course work each semester are not residents, even if they are employed in the state. Similarly military personnel based in Arizona who are exempt under the Soldiers and Sailors Relief Act, are **not** considered residents of the state.

#### **400.02 (II) Military Households**

Military households whose primary residence is in Arizona at the time of application may receive LIHEAP assistance if determined eligible unless they are exempt under the Soldiers and Sailors Relief Act. If the head of household is deployed the household may receive LIHEAP assistance if determined eligible.

#### **400.03 Institutionalized Residents**

The applicant shall **not** be a resident of an institution. Institutions include but are not limited to:

- Hospitals
- Licensed Domiciliary Care Facilities (family care homes, homes for the aged and family care homes for developmentally disabled adults)
- Intermediate Care Facilities
- Skilled Nursing Facilities or Homes
- Alcohol and Drug Rehabilitation Centers or Treatment Programs
- Dormitories
- Temporary protective facilities, such as domestic violence shelters, etc.
- Prisons

#### **400.04 Previously Granted Applicants**

If two or more individuals, previously considered as one household, receive a LIHEAP or Supplemental benefit, then separate, **neither party** may again receive a regular LIHEAP payment during the same 12-month period. If neither party has received a Supplemental benefit, an application may be taken and if eligible, payment may not exceed the **\$500 limit**.

#### **400.05 Domestic Violence Victims**

If a client who was in a previous household that received LIHEAP assistance and separated from it due to domestic violence, that party may apply for LIHEAP and Supplemental LIHEAP assistance if they are eligible. Supporting documents such as police reports, court documents etc., should be included in the file.

#### **400.06 Abandonment/Incarceration/Death**

If the wage earner abandons the household, is incarcerated or dies, the Service Provider should consider only the income of any remaining family members.



## 500 **TRIBAL MEMBERS**

If an applicant is a member of a tribe that receives LIHEAP funding directly from the Federal Department of Health & Human Services (DHHS) or contracts with the Arizona Department of Economic Security, Division of Aging and Adult Services (ADES/DAAS) and resides on reservation land, the Service Providers are not required to provide utility assistance benefits. A tribal member is defined as an individual who belongs to a Native American Tribe or nation and is typically registered with that tribe or nation.

If a tribe does not receive benefits directly from DHHS or contracts with the DES/DAAS, tribal applicants must be served in the same manner as other applicants by the Service Providers within the geographic area. Below is a list of Arizona tribes that contract directly with the ADES/DAAS.

<b>Tribes – Direct DHHS Funding</b>	<b>Tribe Contracting with the State</b>
Cocopah Tribal Council	Tohono O'Odham Nation
Colorado Indian Tribe	
Gila River Pima-Maricopa Community	
Navajo Nation	
Pascua Yaqui Tribe	
Quechan Indian Tribe (Fort Yuma)	
Salt River Pima/Maricopa County	
San Carlos Apache Tribe	
White Mountain Apache Tribe	
**Note Tribal information may change in FFY 2015	

## **600**     **TIME LIMITS**

LIHEAP assistance shall be authorized only once in a twelve consecutive month period, which begins on the eligibility date determined by the Service Provider. Supplemental assistance may be provided one time within the initial consecutive twelve month period after LIHEAP assistance has been provided to the household. Both LIHEAP and Supplemental assistance can be given to a household at the same time which is to be determined by the Service Provider.

Example:

A household receives regular LIHEAP assistance on February 4, 2013 and Supplemental assistance on October 4, 2013. The household is eligible to apply for LIHEAP assistance on or after February 4, 2014. The household may be eligible for Supplemental assistance either on the same date they apply for the LIHEAP assistance (if needed) or any time after the date of the regular LIHEAP.

## **700     ALLOWABLE CATEGORIES FOR FINANCIAL ASSISTANCE**

LIHEAP Benefit payments will be utilized to provide the following services:

1.    Utility Payments for heating/cooling bill assistance:
  - Electric
  - Gas
  - Propane
  - Wood/coal
  - Pellets
2.    Temporary Emergency Shelter (if needed due to energy related crisis)
3.    Water bills (related to evaporative cooling for bills incurred for the months of May 1 through October 31)
4.    Payment to landlords (when utility costs are included in rent)



## 800 LIHEAP SUPPLEMENTAL BENEFIT

A LIHEAP payment and a supplemental payment cannot be given at the same time, unless the maximum amount of the LIHEAP benefit has been issued based on total points. The point system is not applicable for providing supplemental payments.

If the LIHEAP payment is not sufficient to cover the bill amount, the supplemental payment can be used as a second energy benefit or utility deposit, **ONLY if the household has a shut off or delinquency notice, or an eviction notice if utilities are included in rent.** (See pre-pay section for supplemental guidelines, section 900.04(II)), page 34.

**For example:** Current balance owed = \$398.00. LIHEAP Maximum = \$320.00 payment provided = UTS can be allowed **within the payment guidelines of \$20 minimum to \$500 maximum** (Service Providers' decision).

If the LIHEAP payment is sufficient to cover the bill amount, the supplemental payment cannot be used as a second energy benefit or utility deposit as the crisis has been resolved.

**For example:** Current balance owed = \$224.00. LIHEAP Maximum eligible for is a \$320.00 LIHEAP payment because the LIHEAP benefit satisfied the crisis – NO UTS allowed

***A crisis must exist in order to issue a supplemental payment and the crisis must be clearly and fully documented on the application.***

**A crisis is defined as:**

- 1. A shut off or delinquency notice or if utilities are included in the rent, an eviction notice, or**
- 2. The determination of a Human Service Emergency made by the Department of Economic Security. A Human Services Emergency includes but is not limited to fire or flood which results in the evacuation of homes and shelters. Upon determination of a Human Service Emergency, households affected may be assisted with costs to temporarily shelter or house individuals in hotels, apartments or other living situations in which homes have been destroyed or damaged, i.e., placing people in settings to preserve health and safety and to move them away from the crisis situation.**
  - If a shut off or delinquency notice is not available, the Service Provider may contact the energy vendor to verify as a form of collateral contact. This would apply to pre-pay households. (The case file must be fully documented with this information).
  - If a household has an eviction notice and utilities are included in the rent, the caseworker may authorize a payment up to the maximum supplemental payment amount of \$500.
  - Supplemental payments must be made within the payment guidelines of \$20 minimum to \$500 maximum.

## 900 FINANCIAL ELIGIBILITY

The financial eligibility information presented in this manual is effective: July 1, 2014 to June 30, 2015.

***For the Low Income Home Energy Assistance Program (LIHEAP) a household's total gross countable income for the past 30 days including the date of application shall not exceed 60% of the State Medium Income. (See Attachment 4)***

### 900.01 Income

This section describes various kinds of income used to determine eligibility. These policies and procedures are applicable to all households who apply for services from the Low Income Home Energy Assistance Program.

### 900.02 Countable Income

EARNED and/or UNEARNED income will be considered in determining eligibility for services. The gross amount of income prior to deductions will be counted unless otherwise specified.

- A. Income will be counted as received at the time it is made available to the household. A check is considered **received** when it is added to the deposited account, put in the hands of the client, or made available to the client.

**Example:** Friday is a regularly scheduled payday. Client requests paycheck that is available on Friday, March 29, 2013 be mailed due to illness. The check was received in April. The check will be counted as **received** on March 29th.

- B. Regular monthly income deposited directly into a financial institution (e.g. SSA, SSI, VA, etc.) will be considered countable income in **the month for which it was intended**. Count the income in the month it is intended, even when it was actually received in the prior month.

**Example:** The Social Security Administration (SSA) deposited April's social security check on March 31, 2000 because April 1<sup>st</sup> (normal day of deposit) was a Saturday. The **month for which it is intended** is April. Count the social security check received April 1st.

- C. **Non-Recurring lump sum payments are counted as both a resource and income.** When a portion of the lump sum is intended for the current month, only that portion is countable income. The balance would be counted as a resource. Sources of lump sum payments include but are not limited to: CA, GA, SSA, SSI, VA, and UI.

**Example:** Client receives a **non-recurring lump sum payment** from SSA in the amount of \$1,800 in June. Client was awarded \$600 per month. The \$1,800 is for the months of April, May, and June. Count \$600 as income for June. The remaining \$1,200 is counted as a resource because it is back payments for the prior months of April and May.

### **900.03 Individuals Whose Income Must Be Counted**

Any income of a household member age 18 and older will be counted, including ineligible household members. Income for all persons ages 16 and 17, **who do not attend school full time**, will be counted.

### **900.04 Individuals Whose Income Will Not Be Counted**

- A. Any and all earned and unearned income for persons ages 16 and 17 who attend school full time is not counted.
- B. When domestic violence occurs, the income and resources of the abuser are not counted as long as domestic violence is the crisis reason, and the abuser is no longer in the household.(see section 304.01)
- C. When domestic violence occurs, the income and resources of the applicant are not counted as long as the applicant does not have access to his/her income and resources, and the abuser is no longer in the household

### **900.05 Earned Income**

Earned income is defined as either cash or in-kind income received as compensation for wages, salaries, commissions or profit through employment or self-employment.

#### **900.05 (I) Types of Earned Income**

Earned income includes but is not limited to:

- A. ARIZONA TRAINING PROGRAM (ATP): Salaries to handicapped persons working in a sheltered workshop situation are counted. Verbal or written verification may be obtained from ATP.
- B. BABY-SITTING OR CHILDCARE INCOME: Earnings from baby-sitting are counted as self-employment income. Verbal or written verification may be obtained from DES or the person paying for the care.
- C. CAN OR BOTTLE SALES OR OTHER USABLE DISREGARDS: Income from these sales is counted as self-employment income. Client should have receipts for such sales. If receipts are not available, a signed and dated client statement would be acceptable.
- D. CONTRACT INCOME: Income received by individuals who are employed under a contract that states a specific length of time and a specific income amount to be paid during that time.
- E. HOUSEKEEPER OR HOME HEALTH AIDES: Income earned as a housekeeper or home health aide is countable. Verbal or written verification may be obtained from the employer. Income is only counted once, if living in the household and paid by the applicant.



- F. **IN-KIND EARNED INCOME:** Work performed by a client in exchange for room, board, or other needs is earned in-kind income. The employer will establish the monetary value of the service. A collateral contact or a signed and dated statement from the employer, or client can verify in-kind income. The employer may be, but is not limited to:
1. A landlord who is providing rent or portions of the rent or utilities in exchange for work.
  2. A storeowner who gives goods, such as groceries, clothes or furniture in exchange for work.
  3. An individual who receives a car, tools, trailer, building material, gasoline, etc. in exchange for work.
- G. **JURY PAY:** Counted as earned income. Check stubs should be available to verify income.
- H. **MILITARY INCOME:** Wages received while in the military are countable. This includes: base pay (BP), Proficiency pay (PRO), rations (separate/leave), basic allowance for housing (BAQ), basic allowances for subsistence (BAS) and variable housing allowance (VHA) when considered an entitlement. Use the leave and earnings statement, when available, to verify the amount of earned income issued.
- I. **RENTAL INCOME:** Any monies received from rental of property, including boarders, less expenses, are counted as earned income if work is involved.
1. Work includes, but is not limited to, managing rental property requiring maintenance, collection of rent or accounting functions. There is no time requirement for number of hours worked.
  2. If a person's income from rental of property does not require work, rent is considered unearned income.
- J. **SELF-EMPLOYMENT INCOME AND EXPENSES:** Self-employment includes but is not limited to, businesses such as grocers, craftsmen, taking in boarders, ranching, farming, swap meet sales, odd jobs, baby-sitting, can and bottle collection, janitorial, guide for hunting or fishing or any wholesale or retail sales.

Clients are not considered self-employed if they work for a business or another person on a commission basis, unless the client reports and pays his/her own withholding taxes for state, federal and FICA.

Acceptable verification for self-employment is:

1. IRS Form 1099
2. Ledger statement
3. Client statement

When calculating self-employment income, the client may deduct any business expenses. Gross incomes minus business expenses equals countable income.

- K. VOCATIONAL REHABILITATION (VR): Wages from VR sponsored on-the-job training (OJT) are countable.
- L. WAGES: Gross earnings from employment, prior to any deductions, garnishments, allowances or adjustments. Special benefits or deductions connected with employment earnings are counted as follows:
  - 1. Advances, bonuses and commissions must be counted as earned income in the month received.
  - 2. When tips are shown on the pay-stub and the household claims a lesser amount but has no record of actual tips received, count the amount on the pay-stub.
  - 3. When tips are not shown on the pay-stub, obtain the individuals' written tip record. When not available, obtain a written statement from the household or contact the employer.
- M. WORKFORCE INVESTMENT ACT (WIA): Earnings from employment through WIA will be counted for persons age 18 and over.
- N. WORK STUDY: Earnings received from the following: Work-study programs, when the funds do not come under Title IV of the Higher Education Act; Veterans Administration work-study program.

## **900.06 Verification of Earned Income**

Gross earned income must be verified prior to initial approval. All gross earned income received by the household members ages 18 years and older (16 unless a full time student) is counted in determining the total income. Contract agency staff is responsible for obtaining accurate gross amounts from the client or employer.

***Acceptable verification includes but is not limited to:***

- 1. Paycheck stubs(s)
- 2. Copy of check, when gross earnings are listed
- 3. Employer's statement that is signed and dated. (When employer verification would jeopardize the applicant's job, other means of verification must be pursued)

4. The employer's statement must include the following:
  - a) Name, address and telephone number of employer
  - b) Frequency of receipt
  - c) Gross amount of income
  - d) Day of the week pay is received
5. Letter from the agency providing government sponsored training;
6. Assistance payment records
7. Award letter
8. Bank records
9. Court records
10. Division of Child Support Services printouts
11. Divorce or separation papers or contact the Clerk of the Court
12. The current check, when it reflects gross income. Federal government checks are not to be photo-copied; signed statement from agency or payer providing income
13. Client's statement, WHEN NO OTHER VERIFICATION CAN BE OBTAINED. All other possible verification sources must be exhausted before accepting client statement. Document all attempts to verify and why the client's statement is being allowed
14. Verification of Terminated Income

When job termination is reported in the prior 30 days to the date of the application, verify the following:

- The date of termination
- Gross income received in the prior 30 days
- The last payday and the gross amount paid

**\*Exception:** *At the LIHEAP Agencies discretion, client statement may be used to verify household income when the household contains a member(s) who verifies current receipt of either TANF Cash Assistance; Supplemental Nutrition Assistance Program (SNAP); or Supplemental Security Income (SSI) benefits.*

#### **900.07 Unearned Income**

Unearned income is defined as income which was not received as a result of the performance of a service, or earned from sources other than employment, self-employment or in-kind income.



## **900.07 (I) Types of Unearned Income:**

Countable unearned income includes but is not limited to:

- A **ALIMONY OR SPOUSAL MAINTENANCE:** A court-ordered support amount, which a legally divorced or separated person pays to the spouse, must be counted. Verbal or written verification may be obtained from the office of the Clerk of the Court or Division of Child Support Services.
- B **ASSISTANCE PAYMENTS:** such as General Assistance (GA) or Cash Assistance (CA) from this state, as well as, other states must be counted.
- C **BUREAU OF INDIAN AFFAIRS (BIA):**
  - 1. BIA-General Assistance payments are public assistance and treated as any other assistance payments.
  - 2. Clothing allowances available to the individual, whether in cash or a voucher made out to the individual must be counted.
  - 3. Tribal Work Experience Program (TWEP) or Tribal Assistance Project Program (TAPP). Exclude any portion of the amount, which is an incentive payment.
- D **CHILD SUPPORT:** Any payment received directly by the household from an absent parent or paid through the Division of Child Support Services or Clerk of the Court. Only the amount paid to the client is counted (CP) = child support payment. All child support income is considered unearned income.
- E **COMMISSIONS:** Commissions received from a terminated source of employment are counted as unearned income.
- F **CONTRIBUTIONS AND COMPLIMENTARY ASSISTANCE:** Cash contributions must be counted as unearned income, if not considered as gifts or child support.
- G **INDUSTRIAL COMPENSATION:** The amount of the compensation, after attorney's fees are deducted, is unearned income. The Industrial Claim award letter will verify amount being paid but will not verify the attorney's fees.
- H **INDIAN GAMBLING INDUSTRY:** Per capita disbursements are considered income in the month received. Any amount remaining in a following month will be counted as a resource.
- I **INSURANCE:** Insurance payments made directly to the insured must be considered income IF the money is not used to replace or repair insured items, such as car, roof repair, or medical bills. Insurance benefits, which are used for or are intended to meet basic daily needs, are counted as unearned income.

- J INTEREST, DIVIDENDS, AND ROYALTIES: Any interest, dividend, or royalty payments, exceeding \$50 in the 30 days prior to and including date of application made directly to the individual, are counted as unearned income. Funds left on deposit or converted into additional securities are a resource.
- K LEGAL SETTLEMENTS: Legal settlements, less attorney fees and medical bills paid by the attorney out of the settlement, are unearned income in the month received.
- L MORTGAGES AND SALES CONTRACTS: Payments received from mortgages or sales contracts are counted. Includes payment received from a reverse mortgage.
- M LUMP SUM PAYMENT: Any form of income received in a lump sum payment, including but not limited to:
1. Inheritance
  2. Winnings from lotteries, bingo, or any other form of gambling
  3. Insurance settlements including amount withheld as a lawyer's fee
  4. Property Tax Credit
  5. Rebates/Credits
  6. Refund Deposit
  7. Severance Pay
- N RENTAL INCOME: If the property owner does not perform any services in order to receive the income, it is unearned income.
- O RETIREMENT INCOME: The payments from retirement funds, pensions, and annuities must be considered unearned income.
- P SOCIAL SECURITY ADMINISTRATION BENEFITS: SSA benefits (sometimes referred to as RSDI-Retirement, Survivors, and Disability Insurance) are granted to eligible wage earners and/or their dependents or survivors and are counted as unearned income. **FOR THE LIHEAP PROGRAM DO NOT INCLUDE THE MEDICARE DEDUCTION IN THE TOTAL AMOUNT**
- Q SUPPLEMENTAL SECURITY INCOME (SSI): Monthly cash payments made under the authority of Title XVI of the Social Security Act, as amended, to the aged, blind, and disabled (A Federally financed public assistance program). The recipient need not have contributed to the Social Security Fund to be eligible for SSI benefits.
- R STRIKE PAY: from unions to striking employees is not wages and must be considered unearned income. If there is no check stub, verification can be obtained by calling the Union.
- S UNEMPLOYMENT INSURANCE (UI): Considered unearned income in the month received. The amount of income can be verified by a check stub or contacting the local UI office.

- T VETERANS ADMINISTRATION BENEFITS (VA): Retirement, Survivors, Disability, and Educational Benefits are paid to veterans and their dependents or survivors. Only the amount of the benefit, which is actually received by the person whose income must be included, will be counted.

#### 900.08 Verification of Unearned Income

- A. Gross income must be verified before approval. Acceptable verification includes but is not limited to:
1. Assistance payment records
  2. Award letter
  3. Bank records
  4. Court records
  5. Division of Child Support Services (DCSS) print-outs
  6. Divorce or separation papers, contact with the Clerk of the Court
  7. The current check when it reflects gross income. Federal government checks are not to be photocopied
  8. Signed statement from the agency or payer providing the income
  9. Client's statement **WHEN NO OTHER VERIFICATION CAN BE OBTAINED**. All other possible verification sources must be exhausted before accepting a client statement. Caseworker must document all attempts to verify why the client's statement is being allowed.

**\*Exception:** *At the Service Provider's discretion, client statement may be used to verify household income when the household contains a member(s) who verifies current receipt of either TANF Cash Assistance; Supplemental Nutrition Assistance Program (SNAP); or Supplemental Security Income (SSI) benefits.*

#### 900.09 Excluded Income

Only the income discussed in this section will be excluded.

- A. Insurance payments designated to repay a specific bill, debt, or estimate, which cannot be used for other needs, is not countable
- B. WIC – Payments or benefits to persons participating in the WIC program (Special Supplemental Food Program for Women, Infants, and Children) must be disregarded
- C. Retirement, pension, and annuity interest/dividends are not countable as long as the money **cannot** be withdrawn **without penalty**
- D. Bureau of Indian Affairs (BIA) work-study program. This includes monies provided for educational and living expenses
- E. Work study programs funded under Title IV of the Higher Education Act
- F. Any portion of an education grant or scholarship received by a household member



- G. Earned income of a child 16 and 17 years of age who is a full time student
- H. Earned income of a child under 16 years of age
- I. Cash gifts of \$50.00 or less per month per household member
- J. Non-cash benefits provided on behalf of a household member but not paid directly in the name of the household member, including but not limited to vouchers for food, clothing, or housing
- K. Loans that need to be repaid
- L. Money that a household member receives and uses for the care and maintenance of a person who is not a household member
- M. Payments/vouchers received by the household from the State for the health/well-being of a foster child residing in the household
- N. Stipends from senior companion programs – VISTA, Title II, Title V
- O. Earned Income Tax Credit
- P. Income Tax Refund
- Q. Reimbursements, e.g.; mileage, gas, lodging and meals
- R. Agent Orange Payments
- S. Ameri-Corps Network Program payments for living allowances, earnings, and in-kind aid. The Ameri-Corps Network Program includes but is not limited to:
  - 1. Arizona Conservation Corp
  - 2. Arizona Council of Centers for Children and Adolescents (ACCCA)
  - 3. Border Volunteer Corps (BVC), Mesa Ameri-Corps Community Services Partnership Rural Health Office, University of Arizona, Youth in Action, Learn and Serve (NAU) Child Care Food Program payments
- T. Disaster or emergency assistance provided by the Federal Disaster Relief Act or comparable assistance provided by States, local governments and disaster assistance organizations
- U. Housing and Urban Development (HUD) – Some individuals residing in HUD housing are granted benefits either in the form of credits against their rent or as cash allowances. The cash allowance must be used for the purpose intended, (rental or utility obligation)
- V. Education and Employment: (a) Any wages, allowances, or reimbursement for transportation and attendant care cost, unless accepted on a case-by-case basis, when received by an eligible handicapped individual employed in a project under Title VI of the Rehabilitation Act of 1973 as added by Title II of Public Law 95-602 (92 Stat. 2992, 29 U.S.C. 765(b)(c))

W. Payments to members of specific Indian Tribes and Groups:

- (a) Settlement fund payments and the availability of such funds to members of the Hopi and Navajo Tribes under section 22 of Public Law 93-531 (88 Stat. 1722) as amended by Public Law 96-305 (94 Stat. 929) (Note: This exclusion applies to the income of sponsors of aliens only if the alien lives in the sponsor's household.)
- (b) Any distributions of judgment funds to members of the San Carlos Apache Indian Tribe of Arizona under section 7 of Public Law 93-134 (87 Stat. 468) and Public Law 97-95 (95 Stat. 1206) (Note: This exclusion applies to the income of sponsors of aliens only if the alien lives in the sponsor's household.)

X. Adoption Subsidies/Reimbursements

Adoption Subsidy payments are federally, state, or locally funded assistance payments provided to children with special needs. These payments are intended to help a child whose special needs otherwise might hinder their adoption. Adoption Subsidy payments vary depending on the special needs of the child. Adoption subsidy payments are NOT COUNTABLE as income.

Y. Other:

- a. Compensation provided to volunteers by the Corporation for National and Community Service (CNCS), unless determined by the CNCS to constitute the minimum wage in effect under the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.), or applicable State law, pursuant to 42 U.S.C. 5044(f)(1) (Note: This exclusion does not apply to the income of sponsors of aliens.)
- b. Any assistance to an individual (other than wages or salaries) under the Older Americans Act of 1965 as amended by Section 102 (h)(1) of Pub. L. 95-478 (92 Stat. 1515, 42 U.S.C. 3020a)
- c. Amounts paid as restitution to certain individuals of Japanese ancestry and Aleuts for losses suffered as a result of evacuation, relocation, and internment during World War II, under the Civil Liberties Act of 1988 and the Aleutian and Pribilof Islands Restitution Act, sections 105(f) and 206(d) of Public Law 100-383 (50 U.S.C. App. 1989 b and c)
- d. Payments made under section 6 of the Radiation Exposure Compensation Act, Public Law 101-426 (104 Stat. 925, 42 U.S.C. 2210)
- e. Payments made to individuals because of their status as victims of Nazi persecution excluded pursuant to section 1(a) of the Victims of Nazi Persecution Act of 1994, Public Law 103-286 (108 Stat. 1450)
- f. Any matching funds from a demonstration project authorized by the Community Opportunities, Accountability, and Training and Educational Services Act of 1998 (Pub. L. 105-285) and any interest earned on these matching funds in an Individual Development Account, pursuant to section 415 of Pub. L. 105-285 (112 Stat. 2771)

- g. Any earnings, Temporary Assistance for Needy Families matching funds, and interest in an Individual Development Account, pursuant to section 103 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Pub. L. 104-193, 42 U.S.C. 604(h)(4))
- h. Payments made to individuals who were captured and interned by the Democratic Republic of Vietnam as a result of participation in certain military operations, pursuant to section 606 of the Departments of Labor, Health and Human Services and Education and Related Agencies Appropriations Act of 1996 (Pub. L. 105-78)
- i. Payments made to certain Vietnam veterans' children with spinal bifida, pursuant to section 421 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act of 1997 (Pub. L. 104-204, 38 U.S.C. 1805(a))
- j. Payments made to certain Vietnam veterans' children with spinal bifida, pursuant to section 421 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act of 1997 (Pub. L. 104-204, 38 U.S.C. 1805(a))

## **900.10 Income Source**

The income eligibility determination will be completed prior to approving financial assistance.

### **A. Documentation**

The case file must be clearly documented. Documentation must include, but is not limited to:

- 1. Discussion with individual;
- 2. Verification received from the income source:
  - a) Hours worked
  - b) Pay period end date
  - c) Actual pay dates
  - d) Frequency of pay
- 3. Extra income – such as, bonuses, tips, commissions, overtime
- 4. Explanation of how self-employment income was determined
- 5. Date, name, phone number and information about the collateral contacts
- 6. Identify the time frame by dates for the 30-day period prior to and including the date of application, i.e., from (month/date) to (application date)
- 7. Using the frequency and the day of the week paid from a calendar; determine the number of pay dates in the thirty-day period



#### **900.11 Calculating Income**

- A. Identification of the 30-day period prior to and including the date of application: i.e., from (month/date) to (application date)
- B. The number of pay dates in the thirty-day period; determine frequency of pay date and the day of the week paid
- C. Write the received dates and the gross income
- D. Total this and any other income for the household to calculate the gross income. This process is used to determine if the household is eligible under the required poverty guidelines for LIHEAP

#### **900.12 Future Income**

A Service Provider cannot deny assistance through the LIHEAP program due to the household's lack of resources to meet future needs.

## **1000    DECISION NOTICES**

### **1000.01    Approval Notices**

When the decision is to approve assistance for **Low Income Home Energy Assistance Program (LIHEAP)**, the Service Provider's approval notice of LIHEAP assistance received is provided to the applicant. No further action will be required. If the client refuses the copy of the completed approval page at the time of the application, the Service Provider must document this in the file. When the decision reported is to approve assistance, the approval notice or application is acceptable means of notification. No further action is required. The applicant must be handed or mailed a hard copy of the approval notice or completed application within five (5) working days of application date.

### **1000.02    Denial Notices**

If the Service Provider determines that the household is not eligible prior to completing the application no written decision needs to be given to the household.

When the decision is to deny or reduce assistance, the denial reason must be stated on the denial letter, or on the application, which is given to the applicant.

The applicant has the right to appeal this decision. Instructions for initiating the appeal process are listed below in [Section 1100, Grievance Process](#).

When the decision reported is to deny or reduce funded assistance, the reason for such denial must be stated on the intake form, application or denial letter. The applicant is handed or mailed a hard copy of the denial notice within five (5) working days of application date.

### **1000.03    Payment Process**

The Service Provider will make direct payments to vendors, and will receive reimbursement through the DES/DAAS contract invoice process.

## 1100 **GRIEVANCE PROCESS**

This section addresses the grievance process and clients who choose to escalate their grievance to the state level. Each Service Provider must have a grievance procedure in place as defined in their respective contract. The Service Provider should include the DES grievance process contained in this section when providing their internal process to the applicant. Service Provider's internal grievance process should allow for a client to attempt to resolve complaints at the local level in an informal manner. First the applicant/recipient must follow the Service Provider's process prior to appealing with DES. Should an individual decide to appeal the local Service Provider's decision they may appeal through the DES grievance process.

A grievance procedure is a process through which any individual may have a decision reviewed by a third party in accordance with *Arizona Administrative Code R-5-2404*. An opportunity for a grievance hearing shall be granted to any applicant who requests a hearing because their application for LIHEAP assistance was denied, terminated or incurred a benefit reduction. There are four steps to the procedure;

1. An opportunity to file a request for a fair hearing regarding any adverse action shall be granted by the Service Provider to any applicant/recipient who requests a hearing because his or her benefit assistance is denied, delayed, discontinued, suspended or terminated. The applicant/recipient must within ten (10) working days provide in writing a statement of the grounds for the hearing. The request must be submitted to the Service Provider within ten (10) working days after the mailing date on the decision letter. The Service Provider receiving the grievance will make all efforts to resolve the issues within ten (10) working days of the request.
2. In the event the applicant/recipient wishes to appeal the decision of the Service Provider, the applicant/recipient may within ten (10) working days of receiving the Service Provider's decision letter appeal in writing to the DES/DAAS Assistant Director. The Assistant Director will assign the appropriate personnel to conduct the hearing. A decision will be provided within ten (10) working days of the appeal letter. The request should be mailed to:

**DEPARTMENT OF ECONOMIC SECURITY – Site Code 950A**  
**Division of Aging and Adult Services**  
**COMMUNITY SERVICES PROGRAM ADMINISTRATOR**  
**P.O. Box 6123**  
**Phoenix, AZ 85005-6123**

3. In the event the applicant/recipient wishes to appeal DES/DAAS's decision the applicant/recipient may within ten working days of receiving the DES/DAAS's decision letter, request in writing, a fair hearing from the Arizona Court of Appeals. The Arizona Court of Appeals will be responsible for conducting the hearing and providing a decision within sixty (60) days of the receiving the request.
4. In the event the applicant/recipient wishes to appeal the decision of the Arizona Court of Appeals, the applicant/recipient may within ten (10) working days of receiving the Arizona Court of Appeals decision letter, request in writing, a fair hearing from the Department of Health and Human Services, Office of Community Services in Washington D.C. The Department of Health and Human Services, Office of Community Services in Washington D.C. will be responsible for providing a decision within sixty (60) days of the request.



#### **1100.01 Service Provider's Additional Responsibilities to the Applicant/Recipient**

The Service Provider will provide the applicant/recipient with a copy of their application. The Service Provider is also responsible for the following hearing related activities:

- A. Upon written or verbal request, provide the applicant/recipient with materials needed to prepare for the review, including copies of pertinent documents in their case file.
- B. The grievance hearing notification shall be given to the applicant/recipient at least twenty (20) calendar days prior to the date set for the hearing and include: date, time, address and a statement of the issues involved.
- C. Determine whether a bilingual interpreter or other alternative form of communication is needed.
- D. The Service Provider shall render a written decision to the appellant no later than twenty (20) calendar days from the date of the hearing.
- E. The applicant/recipient must be advised of their right to appeal the decision and process by which to do so.

<b>Note:</b> All documents given to the public must include a reasonable accommodation statement.
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#### **1100.02 Service Provider's Responsibilities to the Division of Aging and Adult Services**

The Service Provider is responsible for providing the following information to DES/DAAS within ten (10) working days from the request:

- A. A grievance packet that contains the appellant's application, verification documents which justify the action the Service Provider has taken, case notes, printouts and all other information relevant to the issue, and a copy of the denial notice given to applicant.
- B. A brief summary of the circumstances supporting the Service Provider's determination which is at issue including copies of all pertinent documentation.
- C. The date the hearing was conducted.

#### **1100.03 Service Provider's Appeal Rights**

Service Providers have the right to appeal a decision made by DES/DAAS. A written request must be submitted to DES/DAAS within ten (10) working days of the post-mark date of the DES/DAAS decision letter. The request must be signed, dated and contain the reason for requesting the hearing. The request must be submitted to:

**DEPARTMENT OF ECONOMIC SECURITY – Site Code 950A**  
**Division of Aging and Adult Services**  
**COMMUNITY SERVICES PROGRAM ADMINISTRATOR**  
**P.O. Box 6123**  
**Phoenix, AZ 85005-6123**

**1100.04 Division of Aging and Adult Services Responsibilities**

DES/DAAS is responsible for the following hearing related activities:

- A. Upon written or verbal request, provide the applicant/recipient with contact information for available legal service.
- B. Upon written or verbal request, provide the applicant/recipient with materials needed to prepare for the hearing, including copies of pertinent documents in their case file.
- C. The hearing notice shall be given to the applicant/recipient at least twenty (20) calendar days prior to the date set for the hearing and include: date, time, address and a statement of the issues involved.
- D. Determine whether a bilingual interpreter or other alternative form of communication is needed.
- E. DES/DAAS shall render a written decision to the applicant/recipient and Service Provider no later than twenty (20) calendar days from the date of the hearing.

## EXHIBIT I

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### INSTRUCTIONS FOR VERIFYING CITIZENSHIP AND NON-CITIZEN LEGAL PERMANENT RESIDENT (LPR) STATUS

#### Definition of U.S. Citizenship

U.S. citizenship is established at birth when an applicant is born in the U.S., its territories, or possessions. U.S. territories or possessions include any of the following:

- American Samoa
- Guam - on or after January 17, 1917
- Northern Mariana Islands – on or after November 4, 1986
- Panama Canal Zone - on or after February 26, 1904
- Puerto Rico - on or after July 1<sup>st</sup>, 2010 (Senate Bill 1182, Law #191 of 2009)
- Swain Islands
- U.S. Virgin Islands - on or after January 17, 1917

#### Verification of U.S. Citizenship

**TO BE POTENTIALLY ELIGIBLE APPLICANTS WHO DECLARE U.S. CITIZENSHIP OR LEGAL RESIDENT STATUS MUST PROVIDE DOCUMENTATION FOR VERIFYING, WITH THE FOLLOWING EXCEPTIONS:**

- The following participants are exempt if they are receiving the following services: Currently receiving Social Security Disability (SSD)...
- Currently receiving Supplemental Security Income (SSI). This includes participants who move here from another state and are in the process of transferring their SSI benefits to Arizona.
- Currently receiving Medicare (g).
- Eligible in the Deemed Newborn MA category.
- Children in Foster Care assisted under title IV-8 of the Social Security Act. Children who are recipients of Foster Care maintenance or adoption assistance payments under title IV-e.
- Children receiving adoption subsidies.

**Note:** The participants receiving the service must provide an award letter or documentation as proof of receiving the service. Once the participant is no longer receiving the benefits that meet the exemption criteria they must then provide the proper and approved documentation as described in the section below.



## **Approved Documentation**

Citizenship may be verified using ANY of the documents indicated under sections A, B, C or D immediately below:

### **A. Primary–Verification Documents**

1. A birth certificate showing birth in the U.S., its territories or possessions.
2. Certificate of Birth issued by the Department of State (FS-545 or DPS-1350).
3. U.S. Passport current or expired, except limited passports which are issued for periods of less than 5 years.
4. U.S. Passport Card issued by the United States Citizenship and Immigration Services (USCIS).
5. Certificate of Naturalization (N-550 or N-570).
6. Certificate of U.S. Citizenship (N-560 or N-561).
7. Report of Birth Abroad of a U.S. Citizen (FS-240) issued by the U.S. State Department.
8. U.S. Consular officer's statement.
9. A United States Citizen Identification Card (1-197).
10. Northern Mariana Identification Card (1-873).
11. A tribal enrollment card or Certificate of Indian Blood issued by a federally recognized Indian Tribe that shows that the person is enrolled or affiliated with that tribe.
12. American Indian Card (1-872) issued by USCIS with the classification code KIC. The benefit granting Service Provider shall require the applicant to present a membership card or other tribal document demonstrating membership in an Indian tribe. If the applicant has no document evidencing tribal membership, the benefit granting Service Provider should contact the Indian tribe for verification of membership.

## **B. Secondary – Verification Documents**

1. An identification card for use of Resident Citizen (1-179).
2. U.S. Census record that shows the applicant's name, a U.S. place of birth and the date of birth or the applicant's age when the record was made. It must also indicate a place of birth in the U.S., its Territories or Possessions.
3. Religious record created within three months after birth, showing the participant's date of birth, OR the participant's age when the record was made. It must indicate a place of birth in the U.S. Territories or Possessions.
4. Proof of employment as a U.S. Government Civil Servant before June 1, 1976.
5. Early school records, showing the date of admission, the child's date and place of birth and the names and places of birth of the parents.
6. Adoption finalization papers showing the child's name and place of birth in the U.S., its territories or possessions. (When adoption is not finalized and the State will not release a birth certificate prior to final adoption, a statement from a state approved adoption Service Provider containing the child's name and place of birth may be used. The source of information must be an original birth certificate and must be indicated in the statement).

## **C. Primary or Secondary Documents Are Not Available**

When none of the primary or secondary documents are available, accept any other document that establishes a U.S. place of birth or in some way indicates U.S. Citizenship. These include the following:

1. Certificates of Live Birth signed by a hospital official and parent
2. Medical records created at least five years before applying for services that list a U.S. place of birth (For children under age 16 the documents must be created near the time of birth OR five years prior to the application date. These include: hospital wrist bands, crib cards, or yellow copies of hospital birth certificates indicating birth in the U.S., its territories or possessions (See U.S. Citizenship on page 1).)
3. American Indian Census Records
4. Verification from the U.S. Citizenship and Immigration Services (USCIS). (The documentation **CANNOT** be expired.)
5. Verification from the Social Security Administration, e.g. award letter
6. Verification sent directly to the agency from a local, state or federal bureau of vital records office

7. Legal records showing the applicant's name and place of birth in the U.S., its territories or possessions
8. Department of Homeland Security (DHS), Verification Information System (VIS) response that validates U.S. Citizenship
9. Online data match screen print with the Arizona Department of Vital Records through the AHCCCS Citizenship Verification System
10. Military papers - When verifying military service criteria, the following apply:
  - An honorably discharged veteran of the Armed Forces of the U.S. must present an original or notarized copy of the veteran's discharge papers
  - Verify active duty status with an original or notarized copy of the applicant's current orders or a military ID card (DD form 2(active))
  - A spouse or unwed dependent child of a veteran or active duty non-citizen must provide a document to verify relationship along with military verification requirements
  - A stepchild living with the stepparent must provide documents to verify relationship along with military verification requirements
11. Marriage certificate showing marriage to a U.S. male citizen before September 22, 1922
12. Life, health or other insurance record, created at least five years before the application date (Record must indicate a place of birth in the United States)
13. State census records that show the participant's name, a U.S. place of birth, and the date of birth or age of the participant
14. Tribal census records for the Navajo or Seneca tribes (The records must be created at least five years before the application and list a U.S. place of birth.)
15. An official notification of birth registration from a U.S. State's Department of Vital Statistics
16. An amended U.S. public birth record that is amended more than five years from the applicant's birth
17. A statement signed by the physician or midwife who was in attendance at the time of birth
18. The roll of Alaska Natives from the Bureau of Indian Affairs
19. A **current** decision letter from the ADES/Family Assistance Administration that demonstrates eligibility for the Food Stamp or Cash Assistance Programs (The award letter must list the Low Income Home Energy Assistance Program (LIHEAP) applicant as an eligible member of the household and for Short Term Crisis Services (STCS) Program the qualifying child must be listed as an eligible member of the household.)



#### **D. Primary or Secondary Documents Not Obtainable**

When the applicant cannot obtain the Primary or Secondary forms of verification they may provide an Affidavit Attesting Citizenship. An Affidavit Attesting Citizenship must meet all of the following requirements:

1. Be completed by a U.S. Citizen who is knowledgeable about the participant's circumstances
2. Be signed by a U.S. Citizen that is not a member of the household
3. Be approved by the Case Manager Supervisor
4. Document the reason for using the affidavit form

#### **Acceptable Copies**

Only original or un-tampered copies of required documents are acceptable for verifying citizenship.

#### **Verification of Qualified Non-Citizens**

##### **Qualified Non-Citizen Categories**

Applicants, who state they are Non-Citizen Legal Residents, must meet at least one of the categories set forth immediately below:

#### **A. Lawful Permanent Resident (LPR)**

A lawful permanent resident (LPR) is admitted into the U.S. for permanent residence under the Immigration and Nationality Act (INA). This Non-Citizen Legal Resident is potentially eligible for services when they meet any of the following:

- 1) They have been continuously lawfully residing in the U.S. and their date of entry is five years in the past or more
- 2) They entered the U.S. as a Non-Citizen Legal Resident eligible for benefits in another qualified category prior to becoming an LPR
- 3) They have a military connection
- 4) They are American Indians born in Canada who possess at least 50 per centum of American Indian Blood. These Non-Citizen Legal Residents are recognized as LPR

These applicants normally have one of the following USCIS documents.  
(NOT ACCEPTABLE IF DOCUMENTS ARE EXPIRED):

- 1) 1-551- Resident Alien Card (Eligible for Benefits)
- 2) 1-151- Alien Registration Receipt Card (Eligible for Benefits)

- 3) 1-194- or unexpired passport with the words: Processed for 1-551

**Temporary Evidence of Lawful Permanent Residence. Valid Until (Date)**  
**With the following Stamp/Annotations of Law**

- 1) Adjustment Admission Stamp – Eligible when any of the following sections of law are indicated: 203(a)(7); 207;208;212(d)(5); 243(h)(with a Prucol determination)
- 2) Non-Specific Admission Stamp – Eligible when the form is noted with an 1- 551 eligible statuscode
- 3) Parole Admission Stamp – Eligible when the period of parole is for at least one year as verified on the stamp
- 4) Replacement Admission Stamp - Eligible when the stamp displays an 1-551 eligible Status Code
- 5) Temporary 1-551 Admission Stamp – Eligible when the key phrase reads one of the following:
  - a) "Admission for Permanent Residence at: "D" or "Processed for 1-551 Temporary evidence of admission for Permanent Residence" and displays one of the following Status Codes: AM1; -2; -3; -6; -7; -8,
  - b) Asylee

An Asylee, Non-Citizen Legal Resident is granted asylum through an exercise of discretion by the Attorney General, pursuant to Section 208 of INA. This Non-Citizen is potentially eligible for benefits for a period of seven years from the date their status is granted.

**Note:** The eligibility period begins from the month the Asylee status is granted, NOT the month of U.S. entry.

These applicants normally have one of the following USCIS documents.  
(NOT ACCEPTABLE IF DOCUMENTS ARE EXPIRED):

- 1-94 with one of the following:

A stamp showing grant of asylum under Section 208 of the INA to include:

- A. AS1 - Eligible for benefits
- B. AS2 - Eligible for benefits
- C. AS3V92 - Eligible for benefits

### **Refugee or Amerasian**

A Refugee or Amerasian is admitted into the U.S. under Section 207 of INA. This Non-Citizen is potentially eligible for benefits for a period of seven years from the date that their status is granted.

These applicants normally have one of the following USCIS documents.  
(NOT ACCEPTABLE IF DOCUMENTS ARE EXPIRED):

1-94- endorsed to show entry as a refugee under Section 207 of the INA or entry as an Amerasian OR noted with one of the following Status Codes: NP2 - 7; P2 -6, -7, -71; RE-8; Z2; (Eligible for Benefits).

### **Victim of Human Trafficking**

A victim of human trafficking is admitted onto the U.S. under the Trafficking Victims Protection Act (TVPA) of 2000. This Non-Citizen Legal Resident is potentially eligible for services for a period of seven years from the date that their status is granted. These applicants normally have one of the following USCIS documents:

- **1-94- with a T Visa or Derivative T Visa (T, T-2, T-3, T-4, or T-5)**  
(NOT ACCEPTABLE IF DOCUMENTS ARE EXPIRED).

### **Non-Citizen Legal Resident Paroled Into The U.S.**

A Non-Citizen paroled into the U.S. is lawfully present in the U.S. as a result of a grant of parole by the Attorney General, pursuant to Section 212(d) (5) of the INA. This Non-Citizen is potentially eligible for services when the period of the parole is for at least one year. These applicants normally have one of the following USCIS documents (NOT ACCEPTABLE IF DOCUMENTS ARE EXPIRED):

- 1-94 - with PAROLE PURSUANT TO SECTION 212(d) (5) on the front.

The form must not be expired and the expiration date must be at least one year after the issue date. Both dates are documented on the form (Eligible for Benefits).

### **Non-Citizen Legal Resident Whose Deportation Is Withheld**

A Non-Citizen Legal Resident whose deportation is withheld is a Non-Citizen Legal Resident for whom the Attorney General has withheld deportation from the U.S. pursuant to Section 243(h) or 241 (b)(3) of the INA. A Non-Citizen Legal Resident whose deportation is withheld is potentially eligible for services for a period of seven years from the date of the judge's orders.

These applicants normally have one of the following USCIS documents:  
(NOT ACCEPTABLE IF DOCUMENTS ARE EXPIRED).



1-94 –with an order from an immigration Judge showing one of the following:

- Deportation withheld under 243(h) of the INA (Eligible for Benefits)
- Removal withheld under 241(b)(3) of the INA (Eligible for Benefits)

### **Cuban or Haitian Entrant**

Cuban or Haitian entrants are admitted to the U.S. by USCIS as a Cuban or Haitian entrant pursuant to Section 501 (e) of the Refugee Education Assistance Act of 1980 (PL 104-93). Cuban or Haitian entrants are potentially eligible for benefits for a period of seven years from the date that their status is granted.

These applicants normally have the following USCIS document:  
(NOT ACCEPTABLE IF DOCUMENTS ARE EXPIRED)

- 1-94 with the words: CUBAN/HAITIAN ENTRANT UNDER 212(D) OF THE INA (Eligible for Benefits)

### **Conditional Entrant**

A conditional entrant was granted conditional entry into the U.S. before April 1, 1980, pursuant to Section 203 (a) (7) of the INA. Conditional entrants are potentially eligible for benefits regardless of any later change in their status.

These applicants normally have one of the following USCIS documents.  
(NOT ACCEPTABLE IF DOCUMENTS ARE EXPIRED):

- 1-94 – with the words: ADMITTED AS A REFUGEE – CONDITIONAL ENTRY under Section 203(a) (7) of the INA. (Eligible for Benefits)

### **Abused or Battered Non-Citizen**

Documented Non-Citizens may become qualified Non-Citizens when they have suffered abuse from a parent or a spouse.

The Service Provider staff must inform the Abused or Battered applicant of the following:

1. Applicant must contact the USCIS to obtain a Petition for Abused Aliens
2. The abuse must have occurred in the U.S. and the abusive person must be a U.S. Citizen or Lawful Permanent Resident
3. They must currently reside in the U.S.
4. They must provide any and all documentation verifying continuous residency in the U.S. for the prior five years

**Note:** All periods of time that are not accounted for must be addressed by an applicant statement.

In order for the Non-Citizen to be eligible under this category, they must meet ALL of the following:

1. Possess appropriate USCIS status
2. Be battered or subject to extreme cruelty
3. Have a substantial connection between battery and the need for benefits
4. No longer residing with the batterer

### **Indefinite Detainee**

Indefinite detention status pertains to Non-Citizens who have served their time for a criminal conviction and have been given formal orders to leave the U.S. Subsequently, Indefinite Detainee status is met when the Non-Citizen is allowed to indefinitely remain the U.S. because neither their home country, nor any other country will accept them.

### **Military Connection**

Non-Citizens who meet both of the following criteria are potentially eligible for benefits, regardless of their date of entry:

1. They are a qualified Non-Citizen
2. They meet one of the following military service criteria:
  - A. An honorably discharged veteran or person on active duty
  - B. On active duty in the Armed Forces of the U.S.
  - C. A spouse of a veteran or person on active duty who meets one of the following:
    - a) Is legally married to the veteran or person on active duty
    - b) Is legally separated from the veteran or person on active duty
    - c) Is a widowed spouse of the veteran or person on active duty and has not remarried

**Note:** The applicant remains eligible regardless of whether they are living together or apart; the veteran or active duty person can be a U.S. Citizen or a Non-Citizen Legal Resident

When verifying military service criteria, the following apply:

3. An honorably discharged veteran of the Armed Forces of the U.S. must present an original or notarized copy of the veteran's discharge papers
4. To verify the active duty status an original or notarized copy of the applicant's current orders or a military ID card (DD form 2 (active)) may be used

5. Only full-time Air Force, Army, Navy, Marine or Coast Guard is eligible

6. Any Reserve or National Guard duty is excluded

A spouse or single dependent child of a veteran or active duty alien must provide a document to verify relationship along with military verification requirements.

### **Non-Citizen Alien Identification Cards**

This section identifies alien ID cards that applicants may provide to determine whether they meet one of the qualified non-citizen requirements to receive benefits. Documents cannot be EXPIRED.

#### **I. Alien Identification Cards**

The eligible ID cards listed in this section are as follows:

1. 1-94 Arrival/Departure Record

2. POTENTIALLY ELIGIBLE depending on the following:

- 1-94 admission stamp used, section of law/class-code annotations; Applicant must also meet a qualified Non-Citizen Legal Resident Status criteria identified in Section II-A. NOT ELIGIBLE for benefits when the document lacks a registration number

##### **a. 1-94 Parole Edition**

POTENTIALLY ELIGIBLE depending on the following:

1-94 admission stamp used; section of law/class-code annotations; Applicant must also meet a qualified Non-Citizen Legal Resident Status criteria identified in Section II-A. NOT ELIGIBLE for benefits when the document lacks a registration number.

##### **b. 1-151 Alien Registration Card**

POTENTIALLY ELIGIBLE -The 1-151 is the original green card. Many however were printed on blue paper; several versions of this card exist.

Applicants must also meet qualified Non-Citizen Legal Resident Status criteria identified in Section 11-A.

##### **c. 1-551 Permanent Resident Card**

##### **d. Visa Stamps in Foreign Passports –Eligible when all of the following occur:**



- I. The Visa is stamped "Processed for 1-551, temporary Evidence of Lawful Admission for Permanent Residence".
- II. Neither the Visa NOR the passport have expired. The passport's expiration date is normally found on the same page as the person's photograph.

**Note:** Applicants, who have expired, lost or otherwise cannot locate their immigration documents from USCIS are responsible for contacting USCIS for replacement documents.

**Note:** Qualified Non-Citizen Legal Residents may have documents described as eligible; Case Managers must examine documents to establish their expiration date and cannot accept expired documents.

### **Affidavit That Document(s) Is/Are True**

An eligible applicant must execute a sworn affidavit (see Exhibit IV) stating that the documentation provided as listed on this document during the verification process is/are true.

1. Contractors who determine eligibility for these programs will be required to ensure that a sworn affidavit is obtained in a way that does not delay the eligibility determination process, or add cost to the process for the applicant.
2. Eligible applicants are exempt from providing an affidavit only if they are **60 years of age or older**, if they are **Tribal Members** or if they are **disabled or have an incapacity of the body or mind** which makes them unable to supply such affirmation.
3. Any contractor classified as a non-profit charitable organization must notify Department of Economic Security, Division of Aging and Adult Services (DES/DAAS), if "discovered violations" will not be reported to ICE, also:

**A. Contractors will establish their own process for reporting discovered violations to the Federal Department of Immigration and Customs Enforcement (ICE) and are advised to consult with legal counsel or ICE for further guidance.**

### **Determining Non-citizen Status**

To determine non-citizen status, complete the following:

1. Ask the applicant for their USCIS documentation. When the applicant states they do not have documentation, do not question the participant further regarding their non-citizen status.
2. When the document is provided, compare the document to the documents listed on pages 4 through 10. If the document is one of the qualified non-citizen documents, the non-citizen has a qualified status.

3. A nonqualified non-citizen, who is residing in the United States without the knowledge or permission of USCIS, may do one of the following:
4. Voluntarily self-declare that they are residing in the U.S. illegally or
5. Provide Immigrations and Customs Enforcement (ICE) documents verifying violation of USCIS law.
6. When either of these occurs, follow your Service Provider's process for reporting discovered violations to the Federal Department of Immigration and Customs Enforcement (ICE).

### **Non-Qualified Non-Citizens**

Consider the following Non-Citizens as Non-Qualified. Documents include, but are not limited to the following:

1. 1-94 (Non-citizens with this document may have either qualified or nonqualified status. The admission stamp annotated on the card determines the non-citizen's status.)
2. 1-184 (Crewman Landing Permit)
3. 1-185 (Nonresident Alien Canadian Border Crossing Card)
4. 1-186 (Nonresident Mexican Border Crossing Card)
5. 1-444 (-Mexican Border Visitor Permit)
6. 1-586 (Nonresident Alien Border Crossing Card)
7. I-688A (Employment Authorization)
8. 1-688 (Temporary Resident [This is the first card issued to non-citizens living in the U.S. under the Amnesty Program of the Immigration Reform and Control Act of 1986.])
9. L-688B (Employment Authorization [This is the second card issued to non-citizens under the Amnesty Program of the Immigration Reform and Control Act of 1986.])
10. 1-689 (Fee Receipt-Non-citizens [With this card may have either qualified or nonqualified status. The Provision of Law annotated on the card determines the non-citizen's status.])
11. 11.I-766 (Employment Authorization)
12. DSP150 (Border Crossing Card [This card was introduced in 1997. Non-citizens with this card may have either qualified or nonqualified status. The Provision of Law annotated on the card determines the non-citizen's status.])
13. Student Visa (This card was introduced in 1998)

### **Ineligible Alien ID Cards**

When an applicant provides one of the following alien ID cards they are INELIGIBLE for services and the applicant must provide another eligible document. All these forms expired before January 24, 1990.

- 1) Any alien ID cards that are expired.
- 2) 1-181a Memorandum of creation of record of lawful permanent residence)
- 3) 1-184 Alien crewman landing permit and identification card
- 4) 1-185 Non-resident alien Canadian border crossing card
- 5) 1-186 Non-resident alien Mexican border crossing card
- 6) 1-444- Mexican border visitor permit
- 7) 1-586 Non-resident alien border crossing card
- 8) 1-688 Employment authorization
- 9) 1-688A Employment authorization document
- 10) 1-688B Employment authorization document
- 11) 1-689 Fee receipt
- 12) 1-766 Employment authorization document
- 13) Non-resident border crossing card



## ATTACHMENT 1 AFFIDAVIT (English Version)

S-1055A FORFF (11-09)

ARIZONA DEPARTMENT OF ECONOMIC SECURITY

### AFFIDAVIT THAT DOCUMENT(S) IS/ARE TRUE

I, \_\_\_\_\_, swear or affirm, under penalty of  
*Printed or typed name*  
perjury, that the document(s) presented by me to prove U.S. citizenship, U.S. national, or alien status are true.

DOCUMENT(S) PRESENTED:

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\_\_\_\_\_  
*Signature of applicant*

\_\_\_\_\_  
*Date*

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Equal Opportunity Employer/Program •Under Titles VI and VII of the Civil Rights Act of 1964 (Title VI & VII), and the Americans with Disabilities Act of 1990 (ADA), Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, the Department prohibits discrimination in admissions, programs, services, activities, or employment based on race, color, religion, sex, national origin, age, and disability. The Department must make a reasonable accommodation to allow a person with a disability to take part in a program, service or activity. For example, this means if necessary, the Department must provide sign language interpreters for people who are deaf, a wheelchair accessible location, or enlarged print materials. It also means that the Department will take any her reasonable action that allows you to take part in and understand a program or activity, including making reasonable changes to activity. If you believe that you will not be able to understand or take part in a program or activity because of your disability, please let us know of your disability needs in advance if at all possible. To request this document in alternative format or for further formation about this policy, contact 602-542-3882; TTY/TDD Services: 7-1-1.

## ATTACHMENT 1 AFFIDAVIT (Spanish Version)

DES-1055A FORFFS (11-09)

DEPARTAMENTO DE SEGURIDAD ECONOMICA DE ARIZONA

### AFFIDAVIT QUE EL/LOS DOCUMENTO(S) ES/SON AUTENTICO(S)

Yo, \_\_\_\_\_, bajo pena de perjurio, juro o confirmo que  
*Nombre en letra de mo/de o escrito por maquina*  
el/los documento(s) que se me han presentado como comprobación de ciudadanía de los EE.UU., ciudadano de los E.U.V.  
o estatus migratorio son verdaderos y auténticos.

DOCUMENTO(S) PRESENTADO(S):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
*Firma de Solicitante*

\_\_\_\_\_  
*Fecha*

Empleador/Programa con Igualdad de Oportunidades • Bajo los Titulos VI y VII de la Ley de Derechos Civiles del año 1964 (Titulo I y VII) y la Ley de Estadounidenses con Incapacidades del año 1990 (Americans with Disabilities Act: ADA), Sección 504 de la ley de Rehabilitación de 1973, y la Ley de Discriminación a Edad de 1975, el Departamento prohíbe discriminar en los programas, entradas, servicios, actividades o el empleo basado en raza, color de piel, religión, sexo, origen nacional, edad, e incapacidad. El departamento tiene que hacer arreglos razonables para permitir a una persona con una incapacidad participar en un programa, servicio actividad. Esto significa, por ejemplo, que si es necesario el Departamento debe proporcionar interpretes de lenguaje en señas para personas sordas, un establecimiento accesible para sillas de ruedas, o materiales con letras grandes. También significa que el departamento tomara cualquier otra medida razonable que le permita a usted entender y participar en un programa o una actividad, incluso efectuar cambios razonables en la actividad. Si usted cree que su incapacidad le impedirá entender o participar en un programa actividad, por favor infórmenos lo antes posible que necesita para acomodar su incapacidad. Para obtener este documento en otro formato u obtener información adicional sobre esta política, llame al 602-542-3882; Servicios de TTY/TDD: 7-1-1.

## ATTACHMENT 2

## LIHEAP ELIGIBILITY WORKSHEET

Effective July 1, 2014

APPLICANT NAME: \_\_\_\_\_ DATE: \_\_\_\_\_

1. **INCOME ELIGIBILITY****% of Income****Points****Gross Income, Past 30 Days \$\$ \_\_\_\_\_****0-25%****5 points****26-50%****4 points****51%-75%****3 points****76%-100%****2 point****Income Points: \_\_\_\_\_ (a)****ENERGY BURDEN****To calculate:**

- a) Use one month's bill for both electric and gas
- b) If client does not have electric bill, call utility company for actual cost (document collateral contact)
- c) If client pays a gas bill, but does not have proof of the most recent bill, use \$50
- d) If home is total electric, use only one month's electric bill. If electric bill provided includes more than one month of service use the higher of the months in determining burden.

ELECTRIC \$ \_\_\_\_\_ + GAS \$ \_\_\_\_\_ + FEES \_\_\_\_\_ = \$ \_\_\_\_\_ Average Monthly Utility Cost  
 \_\_\_\_\_ ÷ \$ \_\_\_\_\_ = \_\_\_\_\_

**Monthly Utility Cost Divided by Monthly Gross Income = % of Energy Burden****5% and less****0 points****6%--10%****3 Points****11%--15%****4 Points****16%--20%****5 Points****21%--++****6 Points****Energy Burden Points: \_\_\_\_\_ (b)**2. **ENERGY NEED****Elderly****1 point****Elderly Points: \_\_\_\_\_ (c)****Disabled****1 point****Disability Points: \_\_\_\_\_ (d)****Working Poor****1 point****Working Poor Points: \_\_\_\_\_ (e)****Child age 6 or younger****1 point****Child Points: \_\_\_\_\_ (f)****(Only one point per category allowed)**3. **PAYMENT MATRIX**

- a) Benefit level must be within the point ranges
- b) Minimum payment level for the point range **must be made**
- c) Maximum payment level for the point range **cannot be exceeded**

**Total Points****Payment Ranges****1-2****\$ 75—160****Total All Points: \_\_\_\_\_****3-6****\$ 125--320****(a+b+c+d+e+f)****7-11****\$ 175--480****12-15****\$ 225--640****Allowable Payment: \_\_\_\_\_**



### ATTACHMENT 3 ELIGIBILITY DETERMINATION AND COMPLETING THE LIHEAP WORKSHEET

LIHEAP benefits are targeted to assist low-income households, particularly those with the lowest income, that pay a high proportion of their income for home energy. There are three (3) areas that are used to complete the LIHEAP Worksheet ([ATTACHMENT 2](#)) and determining LIHEAP benefits:

#### Income of All Household Members

Income of all household members may not exceed 60 percent of the State Medium Income (SMI). After determining the monthly gross income for the household, use the 60 percent SMI Household Size income chart (**Income Threshold Chart SFY 2015**) to determine percent of poverty and number of points for the household.

<b>Percent of Poverty</b>	0% to 25%	5 Points
	26% to 50%	4 Points
	51% to 75%	3 Points
	76% to 100%	2 Points

#### Energy Burden

Energy Burden is determined by dividing the household's utility costs by the 30 days income.

5%	or	Less	0 Points
6%	-	10%	3 Points
11%	-	15%	4 Points
16%	-	20%	5 Points
21%	or	Higher	6 Points

- If the household utilizes electric and gas utilities, both bills will be used to determine the energy burden. If the applicant does not have both bills at the time of application, **the maximum amount of \$50 can be used for gas or propane (only if the client uses either)**; for electricity, a current one-month billing amount can be obtained by calling the utility company, and for wood burning stoves a maximum of **\$200** can be considered to calculate the household's energy burden.
- If utilities are included in the rent and the landlord refuses to specify the utility portion, a maximum of **\$200** can be considered to calculate the household's energy burden.
- If the applicant has electric and gas bills, use a one-month billing amount from each of the bills. Only a one (1) month billing cycle for a utility bill is to be considered in determining the energy burden. It can be the past due amount or the current month's bill. The amount that would be the most beneficial to the client should be used to calculate the energy burden.
- If the client has receipts for the purchase of propane for one month's use, the caseworker must use that amount. If the amount covers a 6 (six) month usage, then divide the amount by 6 (six) to determine a month usage amount.

- If the household is requesting a deposit for utilities, use the required deposit amount(s) including disconnect, re-connect and late fees to determine the energy burden. If a deposit is needed for both gas and electric, use both amounts to determine the energy burden.
- If the applicant has no bills for gas or propane or the Case Worker cannot make contact with a utility vendor than the Case Worker can note the application as such and this will suffice as the client statement verifying usage of either gas or propane (can only be used for this purpose) once the application is signed by the applicant and the Case Worker.

### Energy Need

- Priority points will be given to households that include a member of a vulnerable population. This includes:

<b>Elderly</b>	<b>1 Point</b>
<b>Working Poor</b>	<b>1 Point</b>
<b>Disabled</b>	<b>1 Point</b>
<b>Child age 6 and Under</b>	<b>1 Point</b>

- "Elderly" is defined as any individual age 60 and over.
- ***"Working poor" is defined as any eligible household with at least one member who received or is due earnings from any type of employment or receiving unemployment benefits, within 30 days prior to the date of application.***
- A **"disabled" individual** is defined as any person in the household with a permanent or temporary disability. The disabled status on the application must be marked "Yes".
- A maximum of 1 point can be given in each category. 1 point for elderly, 1 point for working poor, 1 point for a disabled household member and 1 point for a child age 6 or under living in the household. The household will receive 1 point for a child age 6 or under regardless of the number of children in the household.

### TO DETERMINE BENEFIT PAYMENT LEVELS, THE FOLLOWING GUIDELINES WILL BE FOLLOWED:

Total Points	Payment Levels
1 – 2	\$75 – \$160
3 – 6	\$125 – \$320
7 – 11	\$175 – \$480
12 – 15	\$225 – \$640

- Calculation of points should be rounded to the nearest whole number using standard rounding rules: .5 and over-round up and .4 and below-round down.
- Benefit levels must be within the point ranges.
- Minimum payment level for the point range **must be made**.  
Maximum payment level for the point range **cannot be exceeded**.



**ATTACHMENT 4**  
**Department of Economic Security (DES)**  
**Division of Aging and Adult Services (DAAS)**  
**SFY 2015 Simplified LIHEAP Income Chart**

**(Effective July 1, 2014 through September 30, 2014)**

**60 % of State Median Income (SMI) is used for households sized 6 and under**  
**150% of Federal Poverty Guideline (FPG) is used for households sized 7 and over**

**Household Size**

**30 Day Gross Income Limit**  
(Dollar Amount)

1	SMI%	\$1,675
2		2,191
3		2,706
4		3,222
5		3,705
6		4,253
<b>7</b>	<b>FPG%</b>	<b>4,451</b>
<b>8</b>		<b>4,954</b>
<b>9</b>		<b>5,456</b>
<b>10</b>		<b>5,959</b>
<b>11</b>		<b>6,461</b>
<b>12</b>		<b>6,964</b>



## ATTACHMENT 5

SFY 2015 Income Thresholds Chart for the Low Income Home Energy Assistance Program (LIHEAP), Short Term Crisis Services (STCS), Community Services Block Grant (CSBG) and Neighbors Helping Neighbors (NHN). Revised 6/20/2013. **Effective July 1, 2013 - September 30, 2014**

Federal Poverty Guidelines (FPG) - Income thresholds for the last 30 days by percent of poverty													For each additional member add:
Number of Household Members >>	1	2	3	4	5	6	7	8	9	10	11	12	
0%-75% of Poverty = At or under 75% of the FPG.	\$718	\$969	\$1,221	\$1,472	\$1,723	\$1,974	\$2,226	\$2,477	\$2,728	\$2,979	\$3,231	\$3,482	\$251
76%-100% of Poverty = Above 75% and at or below 100% of FPG.	\$958	\$1,293	\$1,628	\$1,963	\$2,298	\$2,633	\$2,968	\$3,303	\$3,638	\$3,973	\$4,308	\$4,643	\$335
101%-125% of Poverty = Above 100% and at or below 125% of FPG. The income limit for STCS, CSBG and NHN.	\$1,197	\$1,616	\$2,034	\$2,453	\$2,872	\$3,291	\$3,709	\$4,128	\$4,547	\$4,966	\$5,384	\$5,803	\$419
126%-150% of Poverty = Above 125% and at or below 150% of FPG. Income limit for LIHEAP and clients over 60 and/or disabled for other programs.	\$1,436	\$1,939	\$2,441	\$2,944	\$3,446	\$3,949	\$4,451	\$4,954	\$5,456	\$5,959	\$6,461	\$6,964	\$503

  

LIHEAP Income Eligibility - Use 60% of State Median Income (SMI) for households sized 6 and under. Use 150% of FPG households sized 7 and over.													For each additional member add:
Number of Household Members >>	1	2	3	4	5	6	7	8	9	10	11	12	
The household income limit for the last 30 days for LIHEAP is 60% of SMI for households sized 6 and under. For households sized 7 and over, the income limit is 150% of FPG.	\$1,675	\$2,191	\$2,706	\$3,222	\$3,705	\$4,253	\$4,451	\$4,954	\$5,456	\$5,959	\$6,461	\$6,964	\$503
	Income limits for LIHEAP households sized 6 and under using 60% SMI						Income limits for LIHEAP households sized 7 and over (using Federal Poverty Guidelines)						

  

To determine Energy Points for LIHEAP use 60% SMI for households sized 6 and under. Use 150% of FPG households sized 7 and over.													For each additional member add:
Number of Household Members >>	1	2	3	4	5	6	7	8	9	10	11	12	
A) 5 points	At or below 25% of 60% of the (SMI) or up to 25% of FPL for households sized 7 or more >>												
	\$419	\$548	\$677	\$805	\$926	\$1,063	\$1,113	\$1,238	\$1,364	\$1,490	\$1,615	\$1,741	\$126
B) 4 points	Above 25% and up to 50% of 60% of the (SMI) or up to 50% of FPL for households sized 7 or more >>												
	\$838	\$1,095	\$1,353	\$1,611	\$1,852	\$2,126	\$2,226	\$2,477	\$2,728	\$2,979	\$3,231	\$3,482	\$251
C) 3 points	Above 50% and up to 75% of 60% of the (SMI) or up to 75% of FPL for households sized 7 or more >>												
	\$1,256	\$1,643	\$2,030	\$2,416	\$2,779	\$3,189	\$3,338	\$3,715	\$4,092	\$4,469	\$4,846	\$5,223	\$377
D) 2 points	Above 75% of 60% of the (SMI) or above 125% of FPG for households sized 7 or more >>												
	\$1,675	\$2,191	\$2,706	\$3,222	\$3,705	\$4,253	\$4,451	\$4,954	\$5,456	\$5,959	\$6,461	\$6,964	\$503

  

Annual Income Thresholds - Federal Poverty Guidelines and 60% SMI for the State of Arizona - FPG is greater for households sized 7 and over													For each additional member add:
Number of Household Members >>	1	2	3	4	5	6	7	8	9	10	11	12	
Annual Federal Poverty Level for 2014	\$11,490	\$15,510	\$19,530	\$23,550	\$27,570	\$31,590	\$35,610	\$39,630	\$43,650	\$47,670	\$51,690	\$55,710	\$4,020
60% of State Median Income (Annual) for SFY 2014	\$20,103	\$26,289	\$32,474	\$38,660	\$44,459	\$51,031	\$52,191	\$53,351	\$54,511	\$55,670	\$56,830	\$57,990	\$1,160
150% of FPG - (Annual)	\$17,235	\$23,265	\$29,295	\$35,325	\$41,355	\$47,385	\$53,415	\$59,445	\$65,475	\$71,505	\$77,535	\$83,565	\$8,030

## ATTACHMENT 6

### Frequent Questions – Eligibility Scenarios

#### Boarders and Roommates:

**Issue # 1:** Mother and adult daughter reside in the mother's home. The mother owns the home and the daughter pays rent to the mother. Does the daughter need to be paying the mortgage company directly or can she be paying her mother the rent?

**DES Guideline:** No. The client must provide documentation of rental history, such as cancelled checks.

#### LIHEAP Supplemental Eligibility:

**Issue # 2:** What is the maximum amount of credit that a client can have on their pre-pay account in order for them to qualify for supplemental assistance (considered a crisis)? AND what is the definition for a crisis when dealing with an applicant who has pre-pay for electricity and a low balance?

**DES Guideline:** The service provider should contact the utility company and request a 30 day usage by the household up to the date of the application. Take that amount and divide it by 30 days. This will provide the daily energy usage for the household. For example, if the energy usage for 30 days is 300 kWh, take  $300\text{kWh}/30\text{ days}=10\text{kWh}$  per day. If the household has **7 days or less available** it may be considered a crisis.

**Issue # 3:** The applicant received LIHEAP assistance previously in the year and is requesting help with a deposit to move into an apartment. If the applicant moves in and two weeks later gets a disconnect notice for nonpayment of the deposit, can Supplemental LIHEAP assistance be used?

**DES Guideline:** The Supplemental may not be used for the move-in, however it may be used after the move-in.

**Issue #4:** Why is a homeless applicant who cannot move into an apartment because they do not have the deposit money or money to pay off an old account not considered a crisis situation?

**DES Guideline:** The homeless applicant's situation may be considered a crisis situation if they are moving into an apartment or home.

#### What Service Provider to Assist Household?:

**Issue # 5:** The client is moving from Tempe to Mesa, who should assist the client with the move- in-assistance?

**DES Guideline:** Mesa would assist the client. Typically the receiving Service Provider assists the client, however; Service Provider's should determine which agency would best assist the client.

#### Birth Certificates:

**Issue # 6:** Are the only accepted birth certificates to come from the Bureau of Vital Statistics for Proposition 200?

**DES Guideline:** Only documents listed can be used. No exceptions.

**Issue # 7:** Are certified copies of birth certificates acceptable?

**DES Guideline:** The document must be an original certified birth certificate issued by a US state or local governmental bureau of vital statistics. Contact DES for exceptions.

**Tribal Assistance:**

**Issue # 8:** Do members of a Native American Tribe need to go through their council before they can obtain prior assistance from the tribe?

**DES Guideline:** Service Providers are not required to serve Tribal Members in which the Tribe receives their own LIHEAP funds. It is recommended that the service provider have a written policy, approved by their board members to serve Tribal Members that live on the reservation.

**Subsidized Housing:**

**Issue # 9:** The applicant resides in subsidized housing. One utility is included in the rent but another utility is not. For example, SRP is paid to the landlord with the rent, but, Southwest Gas (SWG) is paid directly to SWG. Can LIHEAP be used to pay SWG?

**DES Guideline:** Yes.

**Other Agency Providing Utility Assistance:**

**Issue #10:** The applicant receives a rent or utility benefit from another agency (i.e., Salvation Army), is this assistance considered income?

**DES Guideline:** No.

**Garnishments, Social Security and Other Income:**

**Issue #11:** If an applicant's social security check is partially or entirely garnished for any reason, is the gross income counted?

**DES Guideline:** The Medicare deduction is not counted in the gross income for LIHEAP. All other garnishments are counted in the gross amount.

**Issue #12:** If an applicant's or other household member's income has child support withheld, is the gross income still counted?

**DES Guideline:** Yes. The withheld child support is no different than a parent supporting a child within the home with employment income.

**Issue # 13:** An applicant receives pay on a bi-weekly basis, most 30 day income periods will only include 2 paychecks, however sometimes there will be a third paycheck within the 30 day period. Are all three checks counted?

**DES Guideline:** Yes.



**Issue # 14:** If an applicant receives an extra check that was paid for back pay (a check that should have been received before), is it counted within the 30 day period?

**DES Guideline:** Yes.

**Issue # 15:** The applicant resides in a home that is paid for by an individual outside of the household. Payment is made directly to the landlord or Mortgage Company and doesn't pass through the household at all. Is this counted as income for the applicant's household? What if another agency, such as Salvation Army were paying the rent?

**DES Guideline:** No to both questions.

**Issue # 16:** Is income ever excluded due to being lost or stolen?

**DES Guideline:** Yes, with verification from a police report, bank records or other verifiable documentation substantiating the lost or stolen income.

**Issue # 17:** It is not uncommon for an applicant to be overpaid when receiving a social security or child support check. The future checks decrease to pay back the over payment. For example, the applicant receives \$1,200 for one month's income and then is notified they should have only received \$1,000 per month. Social Security will begin withholding \$100 per month until the overpayment is adjusted (for 2 months). The applicant then receives checks for \$900 per month for two months. One of these months is used to calculate the gross income. Is the \$1,000 or \$900 counted for gross income?

**DES Guideline:** The gross amount to be counted would be the amount actually received by the client for the 30 day timeframe; therefore, \$900 would be used to calculate the gross income.

#### **Dual Utility Company Usage:**

**Issue # 18:** The applicant makes payment to the landlord for their utility bill, but it is separate from the rent, for example; the lease states that \$400.00 is the rent payment plus the electric charges of \$100.00. Is this situation considered utilities included in the rent?

**DES Guideline:** Yes.

#### **Undocumented Applicant:**

**Issue # 19:** If the applicant is an undocumented parent can a legal resident minor who is not the head of household be considered head of household?

**DES Guideline:** No. A minor who is not head of household cannot apply for LIHEAP assistance. The head of household must apply. The undocumented parent is the head of household and is not eligible for LIHEAP assistance.

#### **Minors as Head of Household:**

**Issue # 20:** Can a minor ever be considered as head of household and apply for LIHEAP assistance on their own?

**DES Guideline:** Yes, if the minor is in fact head of household with supporting documentation such as rental agreement, and/or other appropriate documentation. The Service Provider should use reasonable documentation and make prudent judgment and document the reasoning in the case file.

### **Abandoned/Unclaimed Funds:**

**Issue # 21:** What are utility companies required to do with abandoned/unclaimed funds after two years?

**DES Guideline:** The utility company is to return the funding to Arizona's only "qualified fuel fund", Arizona Community Action Association per A.R.S. 46-731.

### **General Questions:**

**Issue # 22:** The applicant pays their rent on a weekly basis. Is it permissible to provide utility assistance in this situation?

**DES Guideline:** Yes, as long as the applicant meets Arizona state residency requirements. A written lease showing that the applicant is renting the home for thirty days or more would be sufficient.

**Issue # 23:** The applicant states that they had LIHEAP assistance at another agency, but the current Service Provider is unable to verify the prior LIHEAP payment. Should assistance be offered using LIHEAP and/or a Supplemental assistance?

**DES Guideline:** Current policy requires Service Providers to check for prior assistance in their service areas within the last twelve months. If the applicant indicates they received prior LIHEAP assistance, obtain information on the previous address and when assistance was last received. Research the information. If the Service Provider is not able to obtain the specific information on the prior assistance, LIHEAP and/or Supplemental assistance may be considered.

**Issue # 24:** After receiving assistance a client returns in two weeks and divulges information that would have made them ineligible for assistance two weeks earlier. Is the Service Provider expected to attempt to reverse the services or do applications stand on the information available at the time it was initially taken?

**DES Guideline:** The Service Provider should attempt to take corrective action by either reversing the benefit through the energy vendor or having the client pay the money back. If fraud is suspected it should be documented and reported.

**Issue # 25:** In cases where there is suspicion that a landlord may not truly be a landlord, how far does the Service Provider have to go to verify?

**DES Guideline:** The Service Provider is expected to exert due diligence and prudent person concept while balancing the needs of the client.